



Passive Investors: Sit Back and Watch These 3 Stocks Grow

Description

Many view passive income stocks as the holy grail of investments. In short, you buy the stock, forget about it for a decade or more and enjoy the sweet dividends that the stocks offer, maybe even realizing some growth during that time too. Sounds intriguing, right?

Here are several great passive income candidates to consider adding to your portfolio.

Telus ([TSX:T](#))([NYSE:TU](#)) is neither the largest nor most renowned of [Canada's telecoms](#), but the company does have several intriguing points for potential investors to consider far beyond its attractive quarterly dividend that provides a 4.42% yield. Then again, I would be remiss if I didn't mention that Telus' dividend has more than doubled in the past decade, maintaining a CAGR of near 9% over that period, with no end of those annual or better hikes to occur anytime soon and the company currently forecasting annual growth of 7-10% through 2022.

Wireless connections have become staples of our modern society. Telus has therefore invested heavily to bolster its network, attract new customers, and do more to keep existing customers from migrating. In the most recent quarter, those efforts led to the telecom adding 60,000 new subscribers consisting of both mobile phones and connected devices. In the same vein, Telus saw a slight improvement in its churn rate during the quarter, which came in at 1.02%.

It would be folly to assemble a list of viable passive income stocks without some mention from the energy sector. [Pipeline companies](#), in particular, offer investors an incredible opportunity to realize handsome gains from what is a lucratively stable and recurring business model, and this is where **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) comes into play.

So what makes Enbridge such an attractive option for passive investors? There are several key points to consider.

First and foremost, there's Enbridge's sheer size. The company's pipeline network is used by a quarter of all oil in North America, and one-fifth of natural gas produced. That size and volume make it nearly impossible for a would-be competitor to emerge to challenge Enbridge.

Adding to that appeal is the fact that most of Enbridge's stable revenue stems from regulated contacts, which as a reminder, is based on volume, not on the price of oil.

Throw in the obvious challenges and opposition to constructing new pipelines despite growing demand and you have a compelling investment opportunity that isn't changing anytime soon, which also happens to provide a handsome quarterly dividend with a yield of 5.96%.

One final addition to consider is **Manulife Financial** ([TSX:MFC](#))([NYSE:MFC](#)), which represents a unique growth and income-producing opportunity for investors. As Canada's largest insurer, Manulife currently counts more than a third of Canadians as clients, which is impressive but also necessitated the company moving to foreign markets to continue realizing growth.

That growth was found in the markets of Asia, where rapidly increasing wages and standards have led to a generation of investors with trillions in passed-down wealth and a desire to purchase the financial products that Manulife offers. That company's expansion into Asia was nothing short of phenomenal; the company established agreements with financial institutions in markets across the region, becoming the preferred, and in many cases, exclusive purveyor of those financial products.

The result has been double-digit growth from the region during earnings season, and those international markets steadily taking up a larger share of earnings.

That's not to say the domestic market has completely stagnated either; efforts to modernize the company and adopt new technologies such as AI have all had success in the past few quarters, and further advancements to find value and become more efficient are expected to continue.

In terms of a dividend, Manulife offers a quarterly payout that currently provides a handsome 4.05% yield.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
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TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:MFC (Manulife Financial Corporation)
3. NYSE:TU (TELUS)
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