3 Blue-Chip Stocks I'm Never Selling

Description

"Blue-chip" stocks are considered the cream of the crop in the stock market. When you're buying blue-chip stocks, you're investing in safety. Further, they have the highest value with the least risk. More importantly, the stocks are dividend payers that assure investors of regular income with a certain level of capital growth.

When you invest in **Suncor Energy** (TSX:SU)(NYSE:SU), **Telus** (TSX:T)(NYSE:TU), and **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD), chances are you're never going sell them. All three are high-quality investments that will deliver strong returns for years to come.

Value investors' pick

If billionaire and value investor Warren Buffett's conglomerate owns 10.75 million shares of Suncor, then why shouldn't you? Apart from being a high-dividend payer, this $64 billion integrated energy company is also a defensive stock.

Generally speaking, well-established utility and telecommunication companies have reached mature status. Their businesses are stable but growth rates are low. However, the beauty lies in dividends. Suncor Energy, for example, returns the majority of its cash flow to shareholders in the form of dividends.

Currently, the stock is trading at $40.69 while the dividend yield stands at 4%. With a potential price appreciation of 54.82% in the next 12 months, the result would be better-than-attractive gains.

Telecom powerhouse

Telus, Canada's telecom powerhouse, is another high-dividend-paying stock you're not likely to sell. The company is deep rooted and unshakable in the industry it operates. The spending of this $22.75 billion company in technology has reached a staggering $175 billion since the start of the millennium.

The customer base has grown significantly and distributed as follows: 13.4 million subscriber connections, including 9.2 million wireless subscribers; 1.9 million high-speed internet subscribers; 1.2 million wireline residential network access lines; and 1.1 million TELUS TV subscribers.

Net income has been consistent in the last three years, averaging $1.46 billion annually. The current dividend yield is 4.2% with an estimated price appreciation of 13.8% in the months ahead. The stock is up by 12.7% so far this year. Telus has devised a dividend-growth program with a goal of delivering 7-10% annual growth rate in 2019

Esteemed Canadian bank

Toronto-Dominion Bank is undeniably one of the best choices when it comes to selecting income-generating stocks. Toronto-Dominion is among the Big Five Banks in Canada. Long-term investors are satisfied with the 4% dividend, which is safe, and a cut is extremely unlikely. No one is selling any time soon.

In spite of the market volatility and low-interest rate scenario, this $134.7 billion bank institution is earning handsomely. Net income has been increasing over the last three years. In 2018, net profit topped $11.2 billion. The growth estimate for 2020 is 8.8%.

Bottom line

In my personal assessment, I give all three dividend stocks high dividend safety scores. But I'm impressed with Suncor Energy's 23.3% five-year dividend growth. Telus and Toronto-Dominion have 10.93% and 10.39%, respectively. Overall, selling them is not an option.

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