



This 3-Stock Portfolio Is Set for Both Growth and Income Investors

Description

How diversified is your portfolio? Establishing a well-rounded portfolio of investments remains one of the most important, yet difficult-to-execute facets of investing.

Fortunately, the trio of investments noted below not only cater to different areas of the economy but also provide income-generating capabilities that will put your portfolio on the fast-track to retirement.

Let the income (and oil) flow

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is an intriguing investment that caters to the insatiable demands of the energy sector while providing a recurring stream of revenue to the joy of investors.

Even better is the fact that Enbridge's lucrative pipeline revenue stream is tied to volume, not to the volatile price of oil, making it a stable, passive investment option to consider.

In terms of volume, Enbridge's pipeline network hauled 2.7 million barrels per day in the most recent quarter, accounting for over 60% of U.S.-bound Canadian crude. Enbridge also hauled one-fifth of all the natural gas consumed in the U.S. market.

In the most recent quarter, Enbridge reported adjusted earnings of \$1.64 billion, or \$0.81 per share, surpassing both the expectations of analysts as well as the \$1.38 billion reported in the same quarter last year.

Income-seeking investors will love Enbridge's quarterly dividend, which provides a staggering 6.67% yield.

All aboard! Last train to income city!

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) is not just Canada's largest railroad. CN is also one of the best long-term investments on the market that is hiding in plain sight.

Most people are dismissive of the importance of railroads in our modern economy, but this is where the hidden appeal of CN comes into play. Railroads haul as much as one-fifth of all freight in the U.S. market, connecting factories, and storehouses to terminals and ports across the continent.

CN is uniquely positioned in this regard, as it is the only railroad on the continent with access to three coastlines, hauling \$250 billion worth of goods each year. Adding to the appeal of that stellar network is CN's operating ratio, which continues to be the envy of its peers. In the most recent quarter, the operating ratio came in at just 57.5%.

Turning to dividends, Canadian National deceptively boasts just a 1.72% yield, but, over the course of the past two decades, the railroad's compound annual dividend-growth rate has neared a whopping 16%

Put your deposit elsewhere

Canada's big banks are often mentioned as the superb long-term investment options they are, but what of Canada's smaller banks?

National Bank of Canada ([TSX:NA](#)) is the sixth-largest lender in the country. Depending on where you draw the line, that makes National the smallest big bank or the largest small bank.

So, what makes [National a compelling investment option](#)? Apart from the appetizing 4.24% quarterly yield (which has remained over 4% during the past decade), there is the increasingly stable payout ratio that came in at just 44.95% in the most recent quarter.

National's focus within its home province of Quebec is another key point of consideration. Unlike Ontario and B.C., Quebec's real estate market hasn't shot into the upper atmosphere in recent years, meaning that homes are more affordable and the market is still booming.

That's not to say National doesn't have a presence outside Quebec. The lender has a booming international arm that saw double-digit year-over-year gains in the most recent quarter, which also outperformed the domestic segment.

What's next?

A well-rounded portfolio needs a [variety of different investments](#). Not only do the above investments cater to that need to diversify, but they also provide a growing stream of income that will continue to grow over the years.

In other words, buy them, hold them, and forget about them for a decade or more.

CATEGORY

1. Dividend Stocks

2. Investing

TICKERS GLOBAL

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3. TSX:CNR (Canadian National Railway Company)
4. TSX:ENB (Enbridge Inc.)
5. TSX:NA (National Bank of Canada)

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