



Income for Life: 3 “Forever Assets” to Buy in 2020

Description

Hi there, Fools. I’m back to call your attention to three large-cap stocks for your watch list — or, as I like to call them, my top “forever income” assets. As a refresher, I do this because companies with a market cap of more than \$10 billion

- can [stabilize your portfolio](#) during periods of high volatility; and
- provide [steady and healthy dividends](#) year after year.

So, if you’re already starting to look for investment ideas for 2020, this is a good risk-averse place to start.

Let’s get to it.

Banking on it

Kicking things off is financial services giant **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)), which sports a market cap of about \$62 billion.

BMO continues to leverage its ever-increasing U.S. presence, highly favorable regulatory environment, and scale advantages to deliver consistent results for shareholders. Over the past five years, BMO has grown its revenue, diluted EPS, and dividend payout 39%, 48%, and 30%, respectively.

In the most recent quarter, revenue climbed to \$5.8 billion.

“BMO continued to deliver strong operating results this quarter demonstrating the resilience of our diversified North American platform, with adjusted earnings per share of \$2.38, good revenue growth of 5% and positive operating leverage,” said CEO Darryl White.

BMO shares are up 9% in 2019 and offer a solid divided yield of 4.2%.

Energetic opportunity

With a market cap of roughly \$64 billion, midstream energy gorilla **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) is next up on our list.

TC's massive cash flows are backed by a diverse pipeline network, high-quality long-term contracts, and efficient scale. For instance, TC has grown its revenue, operating cash flow, and dividend payout at a rate of 41%, 61%, and 52%, respectively, over the past five years.

In the most recent quarter, EPS of \$1.00 topped estimates by \$0.02 as revenue improved 5.5%.

"The increases reflect the strong performance of our legacy assets and contributions from approximately \$5.6 billion of growth projects that entered service in the first half of 2019," said President and CEO Russ Girling.

TC shares are up 41% in 2019 and provide a healthy yield of 4.2%.

Roger that

Rounding out our list is telecom behemoth **Rogers Communications** ([TSX:RCI.B](#))([NYSE:RCI](#)), which boasts a market cap of \$34 billion.

Rogers continues to lean on impressive wireless growth, stable wireline leadership, and unmatched cost efficiencies to reward shareholders. Despite a narrow earnings miss in Q2, Rogers managed to return a whopping \$307 million to shareholders — \$257 million in dividend payments and \$50 million through share repurchases.

Management cited strong growth across all key metrics for the results.

"Our robust fundamental performance enabled us to take an important step forward to introduce unlimited data plans with no overage fees for Canadians," said President and CEO Joe Natale. "This is another important initiative, led by Rogers, in putting our customers first."

Rogers shares are down 5% in 2019 and offer a solid dividend yield of 3%.

The bottom line

There you have it, Fools: three forever assets worth considering.

As always, they aren't formal recommendations. Instead, see them as a starting point for further research. Even the largest companies can suffer setbacks, so plenty of your own due diligence is still required.

Fool on.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:RCI (Rogers Communications Inc.)
3. NYSE:TRP (Tc Energy)
4. TSX:BMO (Bank Of Montreal)
5. TSX:RCI.B (Rogers Communications Inc.)
6. TSX:TRP (TC Energy Corporation)

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