2 Boring Dividend Growth Stocks You Have to Own

Description

When it comes to investing, boring is often better. It's almost always the case of the tortoise and the hare, with the slow, steady stocks building wealth over the long term.

While it can be exciting to watch high-valuation growth stocks power up over the course of a year, all too often, these growth companies will collapse spectacularly, thereby erasing those gains in an even shorter period.

I'm not opposed to growth stocks or high-risk stocks as long as they make up only a small portion of your total stock portfolio — no more than 5-10%. However, if you're someone who's comfortable taking on more risk, I would advise you to definitely not own more than 20% at the absolute maximum.

The rest of the stocks should be the steady dividend growers, which will provide stability for your portfolio, pumping out a growing cash flow that you can then reinvest. In this way, you create an ever-growing income stream that you can use to buy a new pair of shoes or throw at the latest investment craze.

There are two core stocks that you simply must own are **Toronto Dominion Bank** (TSX:TD)(NYSE:TD) and **Brookfield Property Partners Inc.** (TSX:BPY.UN)(NASDAQ:BPY). Both of these companies will help build a solid core in your portfolio so that you can generate steady returns over time.

A bank for all seasons

TD Bank has operations spanning Canada and the United States. For generations, TD has continued its steady march up and to the right of its stock chart as solid execution has led to impressive capital gains.

Although the bank's **TD Ameritrade** (NYSE:AMTD) investment has been grabbing headlines due to the continued price war for trading fees, TD's total results continue to be quite strong, as its Q3 report showed.

Its relatively slow-growth Canadian retail banking business continued to expand, with net income increasing by 2% year over year. Revenue for the segment also increased by a solid 6% during that time frame.

It's higher growth U.S. retail business continued to power stronger growth. Net income for that segment increased by 13%. The growth offered by its banking businesses should give investors added confidence that the 3.86% dividend is fully supported and will continue to be raised in the future.

The real estate kings

This next company is a little more controversial due to the composition of its asset mix. Nevertheless, the fact that Brookfield Property Partners owns bricks-and-mortar property locations should not concern anyone.

These individuals look for value in their investments, and retail property investments probably offer the most value out of any real estate investment today.

Combine the value in retail real estate with the fact that Brookfield Property Partners can buy locations globally and you have an excellent combination for long-term investments.

The fear facing retail real estate investments has also given investors another gift in the form of a lower share price and increased distribution yield. At the time of this writing, the yield on Brookfield Property Partners sits at around 6.85%.

As fellow fool contributor Kay Ng recently stated, combine that yield with a target annual distribution increase of 5-8% and you have the makings of a serious cash-generating holding for your portfolio.

The bottom line

There are certain stocks that you should have in your portfolio to provide a steady combination of growth and income. TD Bank and Brookfield Property Partners are well suited to act as part of the cornerstone of your investment portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:TD (The Toronto-Dominion Bank)
2. TSX:BPY.UN (Brookfield Property Partners)
3. TSX:TD (The Toronto-Dominion Bank)

PARTNER-FEEDS

1. Business Insider
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Date
2025/08/23
Date Created
2019/12/05
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