



3 Dividend Stocks to Buy and Hold for 2020

Description

Dividend stocks make great long-term investments. In many ways, they are like the Christmas gift that keeps on giving, as generous dividend payouts can provide a source of stable income for investors nearing retirement.

For those investors not ready for an income stream, reinvesting those dividends becomes a way to rapidly grow a sizable nest egg.

Either way, dividend stocks are an important tool that every type of investor should leverage in building their portfolio. Here are several compelling dividend investments that every investor should consider.

Buy and forget this energy gem

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) caters to the investor looking to put their [portfolio on autopilot](#). Enbridge's massive pipeline network provides a stable and recurring revenue stream that's often compared to a tollbooth model.

That stability stems from two key points that can be traced back to the necessity of the crude being hauled, and how Enbridge charges access to its pipeline network independently of the volatile price of crude.

In other words, for as long as there is a need for crude to be transported to refineries, Enbridge will continue earning profits, irrespective of the price of oil.

Adding to the appeal is the fact Enbridge continues to expand and upgrade its pipeline network. Enbridge is allocating nearly \$6 billion on an annual basis to growth initiatives that the company believes should drive an increase to cash flow of 5% to 7% annually.

Finally, let's discuss Enbridge's quarterly dividend, which returns a very healthy 5.84% yield and continues to see healthy annual upticks.

Not only is Enbridge's dividend one of the better-paying yields on the market, but when that annual growth is factored in, investors can expect annual double-digit gains from one of the most defensive investments on the market.

This telecom has a century of dividends behind it

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is not only one of the [largest telecoms](#) in Canada, but is also a great long-term option for those investors seeking both income and growth opportunities.

In addition to a sprawling network that blankets the country, BCE also has a massive media empire that includes the Crave streaming service, various TV and radio stations as well as an interest in professional sports teams.

In other words, the BCE empire has its tentacles in all aspects of our daily lives. BCE's wireless network remains a key point for investors.

Wireless data connections have become a necessity of our modern day of life, with the smartphone replacing dozens of standalone devices we no longer need. In other words, as we become more connected, the more data we consume and the more revenue BCE will earn.

In terms of a dividend, BCE offers a juicy quarterly dividend that currently provides a yield of 5.06%, which handily beats its Big Three peers.

Adding to that appeal is also the fact that BCE has been paying out dividends for well over a century and has an established cadence of annual upticks to that dividend that spans out over a decade.

This bank has a booming U.S. segment

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is a bank that should be on every investor's shopping list. Apart from the impressive network of branches that TD enjoys here at home, Canada's second-largest bank has amassed an equally impressive branch network in the U.S. that outnumbers its presence here in Canada.

In the years following the Great Recession, TD acquired several distressed banks in the U.S. and stitched them together under a single branding to form a branch network that now spans from Maine to Florida.

In turn, strong deposits and loans from that segment have continued to push TD higher during the earnings season.

In the most recent quarter, the segment saw retail income post an impressive gain of 7% over the same period last year. Those gains help TD continue to provide its appetizing quarterly dividend to investors, which currently comes in at a respectable 3.98% yield.

Final thoughts

While no investment is certain to provide gains all the time, the three investments outlined above all benefit from having a storied history of dividend payments and growth to fall back on.

In other words, they are great investments to buy, hold and then forget about for a decade or more.

CATEGORY

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TICKERS GLOBAL

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2. NYSE:ENB (Enbridge Inc.)
3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:BCE (BCE Inc.)
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