3 Large Cap TSX Stocks to Buy Now

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 looking for stable investment ideas for 2020, this is a good risk-averse place to start.

Let's get to it.

Roger that…

Kicking things off is telecom gorilla **Rogers Communications** (TSX:RCI.B)(NYSE:RCI), which boasts a market cap of $34 billion.

Rogers' steady returns are backed by stable wireline leadership, impressive wireless growth, and unmatched cost efficiencies. Over the past five years, Rogers has grown its revenue, EPS, and operating cash flow at a rate of 16%, 62%, and 29%, respectively.

In 2019, Rogers returned $1.67 billion to shareholders through dividends and buybacks — up 69% over the prior year.

"As we enter this next decade, we are confident in our long-term growth strategy to deliver the most advanced networks and a continuously improving customer experience while growing shareholder value," said CEO Joe Natale.

Rogers shares are down about 7% over the past year and offer a solid dividend yield of 3%.

Chugging along

Next up, we have railroad giant **Canadian National Railway** (TSX:CNR)(NYSE:CNI), which currently has a market cap of $89 billion.

CN's investment case is backed by high barriers of entry, diversified cargo (raw materials, intermediate goods, and finished goods), and unmatched scale (20,000 route miles of track across Canada). Over the past five years, CN has increased its revenue, EPS, and dividend payout at a rate of 19%, 48%, and 102%, respectively.

"We remain focused on executing our strategy of long-term sustainable growth at low incremental cost," said CEO JJ Ruest. "Our strategic deployment of technology, the next step in our Precision Scheduled Railroading model and our next driver of value, is well underway."

CN shares are up about 15% over the past year and offer a dividend yield of 1.9%.

Bank shot

Rounding out our list is financial services giant **Bank of Montreal** (TSX:BMO)(NYSE:BMO), which sports a market cap of about $65 billion.

BMO's success is underpinned by its scale advantages, highly favourable regulatory environment, and ever-increasing U.S. presence. Over the past five years, BMO has grown its revenue, diluted EPS, and dividend payout 36%, 40%, and 27%, respectively.

In the most recent quarter, EPS of $2.43 topped estimates as revenue improved to $6.1 billion.

"Looking ahead to 2020, we will continue to execute on our clearly articulated strategic priorities and objectives," said CEO Darryl White. "We remain focused on building on the foundation of our integrated North American platform to grow our customer base and broaden our customer relationships."

BMO shares are up about 5% over the past year and offer a solid divided yield of 4.2%.

The bottom line

There you have it, Fools: three top large cap stocks 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.

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1. Dividend Stocks

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1. NYSE:BMO (Bank of Montreal)
2. NYSE:CNI (Canadian National Railway Company)
3. NYSE:RCI (Rogers Communications Inc.)

4. TSX:BMO (Bank Of Montreal)
5. TSX:CNR (Canadian National Railway Company)
6. TSX:RCI.B (Rogers Communications Inc.)

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bpacampara