



2 Bad Investing Habits That Prevent You From Getting Rich

Description

The formula for becoming wealthy is to discard the [things that go against your financial objectives](#). Unless you break these two bad investing habits, your dream of getting rich will remain a dream.

Only one stream of income

Future millionaires don't rely on only one income stream. Before making their first million, more than 60% of wealthy people have at least three income sources. The phrase "cash is king" is accurate only if the cash isn't idle but multiplying.

If you've saved a lot of money, you can supercharge your earning potential by investing. You're also building your nest egg and at the same ensuring a safety net in case of a job loss.

Not taking the long-term approach

There's no short cut to getting rich because building wealth is a long-term process. If you're investing in stocks, you will benefit from the power of compounding interest by staying in the market longer.

Your money can multiply at an accelerating rate via the dividend-based investing. A pair of Canadian utility companies, for example, has dividend streaks of more than 45 years. If you use your savings to invest in stocks, you can have [a passive income for life](#).

Canadian Utilities ([TSX:CU](#)) is always top on the list of long-term investors. No company can beat its record of raising dividends for 47 years.

Even if this \$11.27 billion diversified utility company decides not to raise its current 4.37% dividend, your forever annual income on a \$150,000 investment will be \$6,555.

As the business of electricity and integrated natural gas generation, transmission, and distribution are regulated, Canadian Utilities generates income and continued stable cash flows. With such hallmarks,

the stock is low risk.

Last year, Canadian Utilities shook the power sector in Canada after selling its fossil-fuel-based announced power assets — a sale that added \$835 million to its financial resources.

According to Canadian Utilities President and CEO Siegfried Kiefer, the decision to sell all of its coal- and natural-gas-fired power plants was necessary. The company wants a healthier dose of renewable forms of power in the future.

Fortis ([TSX:FTS](#))([NYSE:FTS](#)) is an asset for the long haul. This \$26.38 billion electric utility company produces billions of dollars in revenue, profit, and cash flows because nearly 99% of its utility assets are regulated. The company operates 10 utility companies across North America.

From its humble beginnings 135 years ago, Fortis is now the leader in power generation, electric transmission, and energy distribution in North America.

The electric segment makes up 80% of the total asset base, while 20% is for gas and non-regulated energy infrastructure. Also, the bigger share of its regulated utility business is in the U.S. (60%), and the rest is in the local market shores.

Fortis is a bona fide dividend all-star with its dividend streak of almost 46 years. There's no better deal than in a low-risk stock that pays 3.25% today, but with possible dividend increases and capital gains moving forward.

Grow your money tree

The road to riches means stopping the bad investing habits and picking up the habits of rich people. Canadian Utilities and Fortis are the seeds you can plant today to grow your money tree.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:FTS (Fortis Inc.)

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Date

2025/08/26

Date Created

2020/02/10

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