



\$3,000 Invested in These 2 Top Stocks Could Make You Rich

Description

Here's your opportunity to become rich by investing in quality stocks. If you have money that you can invest for a long time, you should consider these top stocks.

Without having to touch the principal, you can [enjoy the fruits of your investments](#) by spending the periodic dividends they churn out.

Buy TD stock

Long-term investors of **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) stock should do well. It has been longer than a decade since this top North American bank went on sale. As the sixth-largest bank in North America, TD Bank has what it takes to weather the storm.

North Americans obviously trust the bank, which has total deposits of more than \$1 trillion. TD Bank ranks first place in terms of total deposits in Canada and fifth place in the United States.

Although COVID-19 impacts continue to weigh on the economy and the stock, the bank remains profitable. In the first half of the fiscal year, it reported net income of \$4.5 billion, which translated to \$2.41 per share. This resulted in a payout ratio of about 66%.

TD's retail-focused operations should allow it to perform in close relation to the health of the North American economy. If you think the North American economy will recover, now is a good time to buy the shares for an elevated yield of 5.1%.

If things normalize sooner rather than later, buyers today can generate total returns of about 15% per year over the next two years.

Buy Brookfield Infrastructure stock

Brookfield Infrastructure Partners ([TSX:BIP.UN](#))([NYSE:BIP](#)) has made its long-term shareholders

incredibly rich, while paying a [nice dividend](#).

Since it started trading on the **TSX** in 2009, the dividend stock has delivered total returns of about 20% per year! That's extraordinary given that the **S&P 500** has only generated total returns of less than 11% in the same period. The TSX index performed even worse.

Since 2009, Brookfield Infrastructure stock has also more than tripled its dividend. Its dividend growth and total returns have been supported by corresponding funds from operations growth that have compounded at 16% per year on a per-share basis.

Despite the recent selloff, the utility stock has maintained its long-term upward trend. This suggests a formidable stock worthy of your consideration.

So far, COVID-19 has had non-material impact on the company. Its funds from operations remained fairly steady in Q1 — down only 2% year over year.

BIP operates in four geographies — North and South America, Europe, and Asia Pacific — across utility, transport, energy, and data infrastructure assets.

The infrastructure company is set to grow at a nice pace. It's estimated that US\$69 trillion of global infrastructure investments are needed by 2035, including US\$4.6 trillion that's needed by 2025 in the U.S. alone.

As governments around the world are swimming in debt and have lower budgets for infrastructure, companies like BIP are critical in helping to fill the funding gap.

BIP offers a yield of about 4.6% for starters. It's a reasonable entry point here. Should the stock experience another selloff this year, investors should highly consider buying more.

The Foolish takeaway

This year will be especially volatile in the stock market. This gives Canadians the opportunity to invest in quality dividend stocks like TD stock and BIP for long-term wealth creation.

If you want to quicken your path to abundant wealth, consider reinvesting the dividends.

CATEGORY

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POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:TD (The Toronto-Dominion Bank)

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