



2 Forever Stocks to Hold for the Next 100 Years

Description

A best friend forever is someone who has your back no matter what. In the investment world, long-term investors or retirees could say the same thing about the **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) and **Canadian Utilities** ([TSX:CU](#)). The bank stock has an extensive dividend track record, while the utility stock is tops in terms of dividend growth.

Most valuable brand

The two dividend stocks are [ideal core holdings](#) in your portfolio. If you buy either one or both, you can hold them for the next 100 years or forever if you wish. RBC and CU share three things in common: attractive dividends, stability, and value. You can sleep easy and be a [laid-back investor](#) throughout your sunset years.

The Royal Bank of Canada is never a hard sell for obvious reasons. Besides being the country's largest lender, the \$174.24 billion bank is also **TSX**'s largest publicly listed company by market capitalization. The bank overtook e-commerce sensation **Shopify** and reclaimed the number one position in May 2021.

All of the five business segments of Canada's most valuable brand hold strong market positions, not to mention its wealth advisory business. It's also the leader in retail banking because of its wide range of products and best-in-class services, whether you're an individual or a business client.

Canadian clients can perform U.S. cross-border banking transactions through RBC's online channels. Expansion in the U.S. market is an ongoing concern, if not a top priority. Generating revenue streams is the bank's strength and comes from highly diversified sources.

RBC capitalizes on its extensive product portfolio, while its digitally enabled services make it easy to cross-sell to existing customers or gain new ones. Digital adoption by clients is now at a 54% clip. If you buy RBC shares today, the stock price is \$122.63 and the dividend offered is 3.53%.

Unbeatable dividend growth streak

Canadian Utilities would be the top-of-mind choice of income investors if the basis were dividend growth streak. The 94-year-old utility company has increased its dividends every year since 1972. It would be 49 consecutive years in 2021. Currently, the dividend yield is a generous 4.96%. As of May 17, 2021, the share price is \$35.25 (+16.38% year to date).

The \$9.55 billion company has successfully maintained the streak because of management's disciplined approach to growth coupled with strong operational and financial performance. Canadian Utilities invests mainly in regulated (95%) and long-term contracted assets (5%). Thus, it enjoys super stable, recurring, and high-quality earnings.

In the near term, part of the game plan is to divest from coal-fired electrical generation assets and gradually move to green or cleaner renewable energy sources. Canadian Utilities is in the second year of its \$3.5 billion capital investment plan (2020 to 2022). The focus is to build a globally diversified portfolio that combines energy-related infrastructure and utility assets.

Finally, **ATCO** owns 52% of Canadian Utilities. The strong backing and support of a leading diversified global company is another compelling reason to invest in this premier utility stock.

Lasting relationship

It should be clear by now that you can develop lasting friendships or relationships in the stock market. You can trust the Royal Bank of Canada and Canadian Utilities as the source of active income in your retirement years. Furthermore, with the bank stock and utility stock as best friends forever, you can earn the maximum returns at minimum risk.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:RY (Royal Bank of Canada)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:RY (Royal Bank of Canada)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
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