



## 2 Long-Term Income Plays to Buy Now

### Description

Is your portfolio diversified with a healthy mix of income and [growth-focused stocks](#)? Finding one or more investments that can provide a stable income stream can be a daunting task. Fortunately, there are plenty of options on the market, including these long-term income plays.

### Canada's telecoms make great long-term income plays

**Rogers Communications** ([TSX:RCI.B](#))([NYSE:RCI](#)) is one of the largest telecoms in Canada. Rogers provides national service to wireless, wired, TV and internet subscribers, which provides a stable and recurring source of revenue. By example, in the most recent quarter, the company reported \$3,488 million in revenue.

If that weren't enough, Rogers also has a sprawling media segment from TV and radio stations to maintaining an interest in professional sports teams.

There are several great reasons to consider Rogers as one of your portfolio long-term income plays. First, its massive size places it in an advantageous size over its peers, and more important, potential would-be competitors. This plays into the second point to note: its dividend.

Rogers provides investors with a quarterly payout that works out to a respectable 3.25% yield. While the yield may lag behind its peers, there's good reason for that. Several years ago, Rogers decided to forego annual dividend hikes instead of investing in the company to drive future growth. One key investment to mention was that Rogers used those funds to pay down its debt.

Still, that's not to say that Rogers won't hike its dividend in the future. Rather, it will prioritize those initiatives to drive growth and lower debt.

Speaking of growth, one final reason to consider Rogers is the acquisition of its smaller rival, **Shaw Communications**. The \$26 billion deal was announced earlier this year and is still subject to regulatory approvals. If accepted, the deal could provide Rogers with ample growth for years to come.

## Banking on this stock will pay dividends

It would be hard to compile a list of great long-term income plays without mentioning at least one of Canada's Big Six banks. Today, that bank is **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)).

CIBC is neither the largest nor the most well-known of Canada's banks, but the bank does hold significant long-term appeal to investors. That appeal is focused on growth and income potential.

Several years ago, CIBC made the decision to re-enter the U.S. market, where it continues to thrive. By example, in the most recent quarter, CIBC's U.S. segment reported a net income of \$188 million. This reflects a handsome 14%, or \$23 million improvement over the same period last year.

Turning to dividends, CIBC provides a quarterly payout to investors. The current yield works out to an appetizing 4.31% yield. This makes CIBC's dividend one of the better-paying long-term income plays on the market even without factoring in annual dividend hikes.

## Final thoughts

No investment is without risk. That said, both Rogers and CIBC are great long-term income plays for nearly any portfolio. They both offer a diversified revenue stream, a handsome dividend, and [growth prospects for the next decade](#).

In other words, they are both investments that investors should buy now and hold for the long term.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. NYSE:RCI (Rogers Communications Inc.)
3. TSX:CM (Canadian Imperial Bank of Commerce)
4. TSX:RCI.B (Rogers Communications Inc.)

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