



3 Dividend Stocks to Buy and Never, Ever Sell

Description

This year could be the [best year ever](#) for the **TSX**, given its resiliency amid the global pandemic. Canada's primary stock market also rebounded strongly in 2009 after the catastrophic financial crisis in 2008. However, a good six months remain, and no one is sure if the rally will sustain until year-end.

The TSX would have ended 2020 with a bang if not for COVID-19. Instead, it gained only 2.17%. As of this writing, the general index is up 13.15%. Also, only one (materials) of the 11 primary sectors is in negative territory. Its highest close this year was 20,300 on July 6, 2021.

Since the market could still turn sour, the best strategy to ride out future highs and lows is to invest long term. Historically, too, long-term investments outperform the market. On the TSX, you can buy three [dividend stocks](#) today and never, ever sell again.

Top performer

The **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)) not only pays a hefty dividend, but its dividend track record dates back to 1868. At \$77.61 per share, Canada's fifth-largest bank pays an attractive 4.15% dividend.

CIBC also had the highest profit growth in the banking sector in Q2 fiscal 2021 (quarter ended April 30, 2021). Management reported a 321% increase in net income versus Q2 fiscal 2020. For the first half of fiscal 2021, net income is 104.24% higher than the same period last year.

The 153-year dividend track record should also give you the confidence to invest in CIBC. Over the last 48.5 years, the bank stock's total return is 18,176.25% (11.34% CAGR). This blue-chip company is a [must-have in anyone's dividend portfolio](#).

Industry leader

BCE ([TSX:BCE](#))([NYSE:BCE](#)), Canada's largest telecommunications company, is an investment for the

long haul. Its dividend track record is nearly as old as Alexander Graham Bell, the inventor of the telephone. Would you believe that this \$56.27 billion telecom giant hasn't missed a dividend payment for almost 140 years?

The telco stock isn't the TSX's top performer in 2021, although it still outperforms the broader market with its 17.5% year-to-date gain. BCE's current share price is \$62.26, while the dividend yield is a hefty 5.66%.

BCE is a wealth-builder, no less. A \$50,000 investment today will balloon nearly 400% to \$198,000 in 25 years. In 2021, the company continues to dominate in the oligopoly. Its recent move to boost its industry-leading position in 5G network services is the collaboration with Google Cloud of **Alphabet**.

Underrated

Imperial Oil ([TSX:IMO](#)) is underrated following the forgettable performance of the energy sector in 2020. However, most energy stocks are on the comeback trail this year as oil prices and demand continues to rise. This energy stock, for instance, outperforms the TSX, CIBC, and BCE with its 42.11% year-to-date gain.

The \$24.89 billion crude oil and natural producer pays only a modest 2.78% dividend than CIBC and BCE. However, Imperial Oil is at par in terms of dividend track record.

The energy stock boasts of consistent dividend payments for more than a century too. Furthermore, it has increased its dividend for 25 straight calendar years. Last, Imperial Oil is a subsidiary of American oil giant **Exxon Mobil**.

Better long-term returns

A market downswing is possible, notwithstanding TSX's display of resiliency so far. If you want better long-term returns, buy and hold the three dividend stocks.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing

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2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. TSX:BCE (BCE Inc.)
4. TSX:CM (Canadian Imperial Bank of Commerce)
5. TSX:IMO (Imperial Oil Limited)

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