



Millennial Investors: 2 Dividend Stocks to Buy Now for 30 Years

Description

Millennials know the meaning of saving, but many haven't got into investing. A big part of that is not knowing where to start, coupled with some risk involved. But that's why many millennial investors should like dividend stocks. These provide you with income no matter what shares do.

Still, if you're looking to invest and leave it alone for 30 years, you want dividend stocks that will be around 30 years down the line. That means stable payments during that time, along with stable returns as well. So let's look at two dividend stocks that could certainly get you there.

TD Bank

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is Canada's second-largest bank by market capitalization at just shy of \$170 billion at writing. The company hasn't missed a dividend payout since coming on the scene 166 years ago. During that time, it's been a top choice for millennials as it provides a flexible way to invest and save money.

Meanwhile, you can also count on TD Bank for growth. TD Bank has been [growing](#) its retail and online banking operations both in Canada and the United States. In fact, it actually closed up some of its U.S. locations in order to bolster its online presence as the world looks for online ways to do banking rather than in person.

But if you're looking for [dividend](#) stocks, TD Bank is a top choice among all the Big Six Banks for a dividend increase. Analysts believe not that only will TD bank and others increase dividends in the double digits with the ban on dividend raises gone, but they also believe that these double-digit increases could last a few years to play catch up.

Even better, despite trading near all-time highs, TD Bank remains valuable, especially among dividend stocks. It boasts a 10.99 price-to-earnings ratio (P/E), with shares up 26% year to date. Furthermore, it has a 3.44% dividend yield at writing. That would bring in \$339 per year from a \$10,000 investment as of writing.

Fortis

If you're a millennial wanting an even more [stable](#) income, then I would recommend **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) as an easy top choice. Fortis stock is just shy of becoming a Dividend King. That means 50 years of consecutive dividend increases! In the last 50 years alone we've been through several recessions, and now a pandemic. So that goes to show that this utility company is one of the dividend stocks with the strongest business model.

That model goes something like this. Fortis brings in stable revenue from the utility sector, providing power across Canada, the United States, and several Caribbean countries. It then uses its revenue to increase dividends, and acquire more businesses. Then the cycle begins again.

With a \$26.7 billion market cap, the company has plenty on the books and has a solid balance sheet to invest further. This would also mean investing in its dividend yield.

In fact, this happened among dividend stocks recently, including Fortis stock during its last earnings report. The company announced a brand new five-year \$20 billion capital plan. This would represent a 6% rate base growth. Furthermore, it increased its common share dividend by about 6%, marking the 48th consecutive year of dividend increases. Fortis stock reaffirmed this will happen every year through 2025.

So if you want stable dividend stocks, Fortis stock should absolutely be one of them. Shares continue to trade at fair value with a P/E ratio of 21.53. Shares are up about 10% year to date as of writing and offer a dividend yield of 3.8%. That would bring in \$378 per year in dividends from a \$10,000 investment.

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