



3 Stable Income Stocks With Huge Potential

Description

Attaining the perfect balance between income- and growth-generating investments can take time. Fortunately, the market gives us plenty of options to consider. Here are three stable income stocks to consider adding to your portfolio.

Telecoms make great investments

There are few stocks on the market that can match **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) as an investment. As one of the largest telecoms in the country, BCE generates a stable revenue stream from its core subscription offerings. This includes the incredibly popular and rapidly growing wireless segment.

The company also has a lucrative media segment comprising of dozens of radio and TV stations, which adds yet another revenue stream.

Turning to dividends, BCE offers investors a quarterly payment. The yield on that dividend currently works out to a tasty 5.33%, making it one of the better payouts on the market. Adding to that appeal is the fact that BCE has been paying out dividends for well over a century.

This fact alone makes BCE one of the stable stocks to buy and forget about for decades.

Banking on growth and income to continue

You can't assemble a list of stable income stocks without mentioning at least one of [Canada's big banks](#). The bank in particular that I'm thinking about now is **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)). TD is the second largest of Canada's big banks, boasting both a strong domestic segment at home and a growing U.S. segment.

That U.S. segment holds immense long-term potential. TD stitched together an impressive network along the east coast of the U.S. after acquiring several smaller regional banks. TD's U.S. network now has more branches than its Canadian counterpart and stretches from Maine to Florida.

As a reminder, the pandemic-attributed moratorium on dividend hikes at Canada's banks was lifted last month. TD followed suit with a juicy 12.7% dividend hike and announced the bank would be buying back approximately 50 million shares.

Speaking of dividends, TD offers a juicy quarterly payout which works out to a yield of 3.70%. Like BCE, TD has an established history of paying out dividends without fail that stretches back over a century. Like its big-bank peers, TD has maintained a payout level in the 40% range, making it a stable stock to own.

Make way for our future Dividend King!

As impressive as all of the companies on this list of stable stocks are, there are none that yet qualify as a Dividend King. That's the term reserved for companies that have amassed a whopping 50 consecutive years of dividend hikes. Right now, there are no Dividend Kings in Canada, but that may soon change.

Canadian Utilities ([TSX:CU](#)), with 49 consecutive years of increases, is set to become that first Dividend King. As of the time of writing, Canadian Utilities offers a yield of 4.84% making it a must-have on any list of stable income stocks.

That stability is backed by the lucrative business model that utilities follow. Long-term regulated contracts provide a stable and recurring revenue stream for the company. In total, Canadian Utilities boasts two million utility customers.

In short, Canadian Utilities is a great, low-risk, stable investment that can provide decades of income and growth.

These stable income stocks could be in your portfolio

All stocks carry some risk. Fortunately, the three stocks outlined above have some defensive appeal. This makes them ideal candidates for any portfolio, and not just as stable income stocks.

Buy them, hold them, and let them [power your portfolio to new highs](#).

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)

3. TSX:BCE (BCE Inc.)
4. TSX:CU (Canadian Utilities Limited)
5. TSX:TD (The Toronto-Dominion Bank)

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Author

dafxentiou

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