



3 Dividend Aristocrats to Buy and Hold Forever

Description

Canadians can take a cue from Warren Buffett, who once said his holding period for a stock of a well-managed business is 'forever.' We can take 'forever' to mean an exceptionally long period, and fortunately, the TSX has three dividend aristocrats for buy-and-hold investors.

BCE ([TSX:BCE](#))([NYSE:BCE](#)), **Imperial Oil** ([TSX:IMO](#)), and **Canadian Utilities** ([TSX:CU](#)) are the stocks you will want to own for the long term if not for a lifetime. Given their dividend track records and dividend growth streaks, the [income streams](#) from these companies should be sustainable and [pension-like](#).

Remarkable comeback

Canada's most dominant telecommunications company started paying dividends in 1881 and has raised its dividends for 12 consecutive years. Some market analysts say the telco stock provides bond-like stability. In the last 46.07 years, BCE's total return has been 76,778.71% (15.52% CAGR).

The \$60.39 billion firm is likewise a foundational asset if you're saving for the future or building retirement wealth. If you still don't own this name, the current share price is \$66.45, while the dividend yield is 5.27%. BCE is well-diversified with its Bell Wireless, Bell Wireline, and Bell Media business lines. However, the emergent 5G network should be the near-term tailwind.

According to management, BCE's total revenue and adjusted EBITDA growth in Q3 2021 are back to pre-pandemic levels (Q3 2019). Mirko Bibic, President and CEO of BCE and Bell Canada, said the company is significantly accelerating its next-generation network infrastructure investments to help customers and BCE come back better from the COVID crisis.

Long-life assets

Imperial Oil has been paying dividends for 140 years and has raised its dividends for 26 straight calendar years. The \$30.87 billion company is a top-notch oil sands operator and Canada's largest

petroleum refiner. It has for years maintained a strong balance sheet because its oil sands assets are long life.

The energy stock's total return in 2021 was an incredible 90.84%. As of January 14, 2022, IMO trades at \$50.98, or 13.82% more than the 2021 year-end price. Market analysts' high price target in 12 months is \$60 (+17.69%). The dividend yield is a decent and safe 2.12%.

In Q3 2021, Imperial Oil returned \$508 million to shareholders through dividend payments and share repurchases. Its Chairman, President, and CEO, Brad Corson, said the company had taken steps to increase production, reduce its cost structure, and progress sustainability initiatives. It positions Imperial to benefit from market conditions and create long-term value for shareholders, said Corson.

New status coming

Canada Utilities is a [no-brainer buy](#) for income investors. The \$9.39 billion diversified global energy infrastructure corporation boasts the longest dividend growth streak (49 consecutive years) on the TSX. Furthermore, this utility is on track to become the first Canadian dividend king if management raises dividends in September 2022.

The **ATCO** company delivers essential services and offers comprehensive solutions in utilities, energy infrastructure, and retail energy. Management leverages CU's core utility assets and invests only in activities that advance the energy transition and ensure long-term resiliency.

Don't expect much on price appreciation, although payouts (5% dividend) should be safe and sustainable for decades. CU currently trades at \$35.55 per share.

Strong and stable

BCE, Imperial Oil, and Canadian Utilities are solid and stable companies. They are capable of providing steady growth, notwithstanding the hard times.

CATEGORY

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2. Investing

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2. TSX:BCE (BCE Inc.)
3. TSX:CU (Canadian Utilities Limited)
4. TSX:IMO (Imperial Oil Limited)

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