



## Passive Income: 3 Reliable Dividend Stocks to Own Forever

### Description

[Market corrections](#) are gut-wrenching, but you can sleep easier at night by owning quality dividend stocks. Market corrections are a natural part of investing. They never feel good, and they always motivate emotional decisions. Often those decisions are based on fear and not rationality.

### Reduce your risk by increasing your time horizon

It really comes down to your investment time horizon. If you are investing in a business for three, five, or 10 (or more) years, a short-term market decline really doesn't matter as much. Time and time again, stock markets have proven that they consistently rise more than they drop.

However, if you are worried about a decline in your capital returns, you can find a safe haven in dividend stocks. Despite the market's fluctuations, you can capture reliable steady [passive income](#) from dividends and distributions.

### These dividend stocks are great to buy and hold forever

With this investment strategy, you are at least guaranteed a solid income return. While quality dividend stocks may decline in the short term, they are sure for a quick bounce back when markets recover. Three **TSX** stocks I'd keep holding through the recent market decline are **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)), **Granite REIT** ([TSX:GRT.UN](#)), and **TELUS** ([TSX:T](#))([NYSE:TU](#)).

### Fortis: A top dividend-growth stock

Fortis is a great low-volatility stock to buy and hold for the long run. Its stock has a low correlation to the overall market (low beta), so it is a great anchor in any portfolio. The reason for this is because of Fortis's reliable mix of regulated electric/gas transmission assets. Natural gas and power are essential to modern society. Consequently, Fortis captures a reliable and growing stream of cash flows.

In fact, Fortis has grown its dividend annually for the past 48 years. That is one of the best dividend-growth track records in Canada. Today, Fortis pays a \$0.535 per share quarterly dividend. That is equal to a 3.65% dividend yield at current prices. For a buy-and-hold investor, this is an ideal sleep-easy stock to own forever.

## Granite REIT: A top real estate stock

Granite REIT has a similar profile as a rock-solid dividend stock to own and rely on. It owns a very high-quality portfolio of logistics, manufacturing, and distribution properties across North America and Europe. Global supply chains have been disrupted by the COVID-19 pandemic, and it is *increasing* leasing demand for industrial properties.

This has been a great tailwind for Granite, which is seeing strong rental rate growth and very high +99% occupancy. Given the size and quality of its properties, Granite can lock in long-term leases that have reliable contracted rental rate growth. Consequently, the company has been able to consistently pay and grow its dividend for the past nine years. Today, this dividend stock yields 3.3%, which equals a nice \$0.2583 monthly distribution.

## TELUS: Dividends and growth

Speaking about solid dividend growth, TELUS has been an exceptional stock. Since 2011, it has grown its dividend by a compounded annual growth rate of 8.7%. The reality is cellular coverage and internet service are as important as utilities in our modern age. Consequently, TELUS has been able to consistently grow its user base and service offerings, while also distributing ample amounts of free cash flow to shareholders.

Through the years, TELUS has been exceptional about capital allocation. It continues to do so by expanding the quality of its [network](#) (fibre optic and in 5G service) and also allocating excess funds to exciting digital growth verticals. This has made TELUS unique both as an income and growth story. Today, this stock yields an attractive 4.5% dividend.

### CATEGORY

1. Dividend Stocks
2. Investing

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. NYSE:TU (TELUS)
3. TSX:FTS (Fortis Inc.)
4. TSX:GRT.UN (Granite Real Estate Investment Trust)
5. TSX:T (TELUS)

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