



## Dividend Stocks to Buy: How the Rich Get Richer, and How You Can, Too!

### Description

Throughout history, many of the richest people have created generational wealth that's passed down for decades. In fact, the aphorism "the rich get richer" dates back roughly 200 years ago. Whether it's through privately owned businesses, high-quality [growth stocks](#), or even finding dividend stocks to buy, the rich seem to always find a way to grow their income.

And while much of society has changed over the years, it seems as though no matter what the market conditions or how history shapes up, the rich continue to find ways to grow their wealth.

If you're wondering how the rich get richer, here are the biggest factors contributing to their success and what you can do to replicate it.

### Saving and investing your money are crucial

One thing that the rich do well is that they don't spend everything that they make. By continuously spending less than the income they bring in each year, they have capital left over to invest in their primary businesses or new ventures, or they could even find high-quality dividend stocks to buy.

This is why it's crucial to have a budget, know what you're spending, and always save your money. That's the key to consistently being able to grow your net worth.

The same goes for retail investors. In order to have money to invest and grow your wealth, you first need to leave room in your budget to save cash. Typically, the rule of thumb is 10% of your income, but the more you save, the more you'll have to begin finding the best dividend stocks to buy, and the quicker you can build your net worth.

### The rich get richer by taking advantage of compound interest

When you begin to buy stocks and hold them for the long run, especially top Canadian dividend stocks, it can soon become clear just how powerful compound interest is. And especially if you're buying high-

quality dividend-growth stocks that are constantly increasing the passive income they provide, you can grow your capital rapidly.

This is what the rich do so well. They understand that earning passive income and allowing it to continue to grow and [compound](#) in your portfolio is the simplest and most effective way to get rich and stay rich.

If you're looking for high-quality dividend stocks to buy and hold, here's one of the best on the **TSX** today.

## One of the best Canadian dividend stocks to buy and hold for years

In order to get rich, the companies you buy will have to be high quality and reliable, but you'll also want consistent companies that will constantly outperform the rest of the market. That's why one of the top dividend stocks to buy and hold for decades is **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)).

First off, Brookfield is incredibly reliable. Its portfolio is built of high-quality and defensive assets. In addition, its management team is the best of the best.

But the major reason why Brookfield is one of the best dividend stocks to buy and hold for years is due to the impressive growth potential it offers both for capital gains and its distribution.

Brookfield is constantly buying infrastructure assets that are undervalued or in need of investment. It can then hold these investments while they gain value and, in many cases, as the cash flow they generate continues to increase.

This is why Brookfield is one of the best dividend stocks to buy and hold long term. It targets distribution growth of 5-9% every single year, not to mention the capital gains potential it offers.

If you're looking to invest like the rich and rapidly grow your money, the first thing to do is to save cash and give yourself as much as possible to invest. Then, of course, it's all about finding high-quality Canadian stocks to buy — especially ones that can pay growing dividends.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

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