



2 TSX Stocks I'm Never Selling

Description

Change is the only constant. But some stocks are worth holding forever. You invest in stocks to earn money. If you buy a growth stock, you have to sell it to realize capital gains. But if you buy stocks of Dividend Aristocrats, you can hold them forever and earn regular [passive](#) income for a lifetime.

Types of stocks I would never sell

Thomas Alva Edison invented the lightbulb in 1879. Today, you can't imagine life without electricity. Another fundamental business is energy transmission. Here are two stocks I would never sell.

- **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)): 6.04%
- **Canadian Utilities** ([TSX:CU](#)): 4.39%

Enbridge stock

Today, the Nord Stream pipeline is at the centre of the European energy crisis. It is the bridge Russia uses to power Europe with oil and natural gas. Pipelines are efficient and cheaper to transmit energy. Most European nations have no other alternative to Russian gas. This shows the strategic, political, and economic importance of a pipeline.

Enbridge is a strategically important company for Canada as its pipelines bridge Canada's oil and natural gas producers to the United States utilities. Canada exports more than 99% of its oil to the United States. Every few years, more pipelines are built, and old ones are repaired to keep the transmission going. Enbridge charges toll money for transmission and even increases this rate periodically.

As pipelines generate income, they get paid off after some years, which means Enbridge earns back the money it spent to build the pipeline. The toll income from such paid-off projects increases its profits. After operating for more than 70 years, Enbridge has built an infrastructure that earns it enough cash flow to fund future pipeline projects, pay for maintenance and repair of old pipelines, and increase

dividends.

For 27 years, Enbridge has been growing its dividend at compounded annual growth rate (CAGR) of 10%. The dividend-growth rate might slow, as the energy industry shifts to renewable energy. Enbridge will shift with the industry and use its pipelines to transmit clean energy, thereby keeping dividends coming for investors.

Canadian Utilities

Canadian Utilities has been in business since 1927. In 1980, **ATCO** acquired a majority interest in it, but Canadian Utilities continues to trade on TSX and give incremental dividends. The company is in the business of electricity and natural gas generation and transmission. It provides power to homes, offices, and industries. The company is also tapping the electric vehicle (EV) trend by investing in EV charging infrastructure.

The ever-growing need for electricity makes utilities an evergreen stock. In the move to decarbonization, Canadian Utilities is expanding into solar power projects. Energy prices are regulated and grow with inflation. This helped Canadian Utilities increase its dividends for the last 49 years. It has the energy infrastructure to power Canadian homes and industries and increase dividends for several years.

Stocks for retirement and beyond

The above two stocks can give you a passive income for your lifetime and continue giving it to those who inherit these stocks. Enbridge has been paying dividends for over 67 years, and Canadian Utilities has been paying dividends [for 50 years](#). Their dividend payments are funding the retirement of some of its early shareholders.

The two companies grew with the economy and increased their dividends accordingly. This helped shareholders beat inflation. They have the potential to continue paying dividends for another 50 years and give you passive income that meets the inflation of that time.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:ENB (Enbridge Inc.)

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Author

pujatayal

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