Got $5,000? 3 Stocks to Hold for the Next 20 Years

Description

There are plenty of investment opportunities across the entire market right now. Those opportunities come thanks in part to the volatility we've seen in 2022 so far, which doesn't appear to be stopping anytime soon. Fortunately, new investors and seasoned ones alike can capitalize on those opportunities with some stellar buys. This includes the following three stocks to hold for the next 20 years.

If you have $5,000 to start with, here's where to buy right now to see some serious long-term growth.

Stock #1: The big bank with a bigger opportunity

Bank of Nova Scotia (TSX:BNS)(NYSE:BNS) is not the largest or most well known of Canada's big banks. It is, however, the most international of Canada's big banks, which makes it a unique buy now.

Scotiabank, like its big bank peers, operates a mature domestic branch network at home. That domestic branch network generates a stable, recurring (and growing) stream of revenue for the bank. By way of example, in the most recent quarter, the domestic arm earned $1,179 million. That translates into an impressive $252 million increase over the prior year.

But that's not even the best part.

Scotiabank's international segment, which is largely focused on the Latin American markets of Mexico, Chile, Columbia, and Peru, just screams growth. The four nations are party to a trade bloc that is charged with bolstering trade and removing tariffs.

Scotiabank's prominence in those markets has helped. In the most recent quarter, the segment earned $605 million compared with $420 million last year.

That ultimately translates into Scotiabank offering a juicy dividend, making it one of the stocks to hold for the next 20 years.

Speaking of dividends, Scotiabank's yield of 5.19% means that a $5,000 investment could more than triple over the course of two decades of reinvestment. That's also not factoring in Scotiabank's established precedent of providing annual increases or further deposits.

In short, buy it, hold it, and watch it grow.

Stock #2: The utility stock to put on autopilot

Another great option to add to your portfolio is utility stocks. Utilities are great investments. They provide a very defensive, stable, low-risk option that can generate massive income over the longer term.

One prime example of this is **Canadian Utilities** (TSX:CU). For those that are unfamiliar with the company, Canadian Utilities is a $20 billion energy infrastructure behemoth. The company also boasts one of the most stable and growing dividends on the market.

In fact, Canadian Utilities is the only Dividend King in Canada. The company has amassed a whopping 50 years of consecutive annual increases to its dividend. That factor alone makes the stock a great candidate for a list of stocks to hold for the next 20 years.

A $5,000 investment in Canadian Utilities will generate a first-year income of just over $215, which is enough for a few extra reinvested shares. Again, the goal is to amass a portfolio that can grow over time, which Canadian Utilities will if the dividends are reinvested.

Stock #3: Mobile growth is to continue

One other segment of the market that continues to see strong growth is Canada's telecoms. And there's plenty to love from the telecom market. Canada's Big Three telecoms own over 90% of the market. They also charge some of the highest data rates in the world.

That's just part of the reason why investors should consider **BCE** (TSX:BCE)(NYSE:BCE).

As intriguing as that market-rate statistic may sound, that's not even the *real* opportunity for investors.

That opportunity comes in the form of mobile data and home internet. Both segments have seen massive bumps since the pandemic started. The need for high-speed internet has moved into the realm of necessity in recent years. In a similar vein, the ongoing rollout of 5G, and the opportunities it unlocks will accelerate mobile data consumption.

This adds to BCE's already impressive defensive moat. Furthermore, it also helps BCE to continue paying out its juicy quarterly dividend, which it has for over a century.

The current yield is an appetizing 5.71%, meaning that a $5,000 initial investment will become $285 to reinvest for the future.

In short, like the other stocks mentioned above, buy it, hold it, and watch it grow.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BCE (BCE Inc.)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:CU (Canadian Utilities Limited)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. dafxentiou
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date
2025/07/21
Date Created
2022/08/12
Author
dafxentiou