



## 2 Stocks Under \$100 You Can Buy and Hold Forever

### Description

When the entire market drops, it can drag down some of the best long-term stocks on the market. As a result, some of those great stocks are now well under \$100. Here's a pair of investments that you can buy today and hold forever.

### Banking on growth and income for decades

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is the first sub-\$100 stock investors can buy and hold forever. TD is the second largest of [Canada's big banks](#), with an impressive domestic network in Canada, and a growing international presence in the U.S. market.

That U.S. presence is what should really excite investors.

In the years following the Great Recession, TD acquired several regional players along the U.S. east coast. The bank then stitched those banks together under the TD banner. Today, that U.S. branch network is larger than its Canadian counterpart and stretches from Maine to Florida.

Even better, TD continues to seek out further growth in the U.S. market. Earlier this year, the bank announced a deal to acquire Memphis-based First Horizon. That deal will result in TD expanding further into seven new state markets, bringing the total to 22 states.

Apart from that stellar growth potential, TD excels as an income stock. The bank has been paying out dividends for well over 160 years. Today, that yield works out to a juicy 4.11%.

In terms of earnings, a \$40,000 investment will earn a first-year income of \$1,644. Oh, and let's not forget that TD has an established cadence of providing juicy annual upticks to that dividend.

Reinvesting those dividends can quickly lead to a massive nest egg over the longer term. And that's not even taking into consideration the current discount on the stock thanks to market volatility.

TD currently trades at just over \$87 per share and is down approximately 10% year-to-date. The bank

also boasts a price-to-earnings (P/E) ratio of just 11.05.

In other words, the current discount on TD may represent one of the last chances to get a great stock for under \$100.

## Here's the most defensive, stable stock your portfolio needs

If you need a stock to buy and hold forever, that investment should have some defensive appeal. And when it comes to defensive appeal, utility stocks are hard to beat.

Specifically, **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is *the* utility stock that your portfolio needs.

Fortis is one of the largest utilities on the continent. It's a true behemoth, with ten operating regions located across the U.S., Canada, and the Caribbean.

Utilities generate a steady and recurring revenue stream through assets that are bound by long-term regulated contracts. Those contracts typically span well over a decade in duration, adding to the overall defensive appeal.

In the case of Fortis, the company's assets are a whopping 99% regulated, across both its electric, gas and energy infrastructure segments. Furthermore, Fortis boasts 3.4 million utility customers across these segments.

That stable revenue stream allows Fortis to invest in growth while also providing investors with a juicy dividend. In recent years, that growth has centred around upgrading and transitioning facilities over to cleaner, and [renewable energy](#) options.

Fortis' quarterly dividend currently provides a tasty 4.41% yield, making it one of the higher-paying and stable investments on the market. Like most investments, Fortis has seen its stock drop in 2022. As of the time of this writing, Fortis is down nearly 18%, trading just shy of \$52 per share.

While that factor alone qualifies Fortis as one of the sub-\$100 stocks to buy and hold forever, there's one more point to note.

Fortis has provided annual upticks to that already juicy dividend for 48 consecutive years. That incredible feat is nearly unmatched on the market. It also means that Fortis is less than two years away from becoming only the second Dividend King on the market.

## Buy and hold forever means buying now for under \$100

Finding the right mix of investments takes plenty of time and patience. And while no stock is without risk, the duo of Fortis and TD offers plenty of defensive appeal. They also both offer a growing dividend and strong growth potential.

In my opinion, both stocks are great additions to any [well-diversified portfolio](#), and best of all, still trade at a huge discount.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Stocks for Beginners

## **TICKERS GLOBAL**

1. NYSE:FTS (Fortis Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:FTS (Fortis Inc.)
4. TSX:TD (The Toronto-Dominion Bank)

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