



2 Bargain Stocks You Can Buy Today and Hold Forever

Description

The [market correction](#) in 2022 is providing Tax-Free Savings Account (TFSA) and Registered Retirement Savings Plan (RRSP) investors with a good opportunity to buy top [TSX](#) dividend stocks at discounted prices. One popular [investing strategy](#) for a retirement portfolio involves using dividends to acquire new shares. The compounding process can turn small initial investments into large savings over time.

Telus

Telus ([TSX:T](#)) is best known as a communications company providing essential mobile and internet services to Canadian businesses and households. This makes the stock attractive to buy for investors who might be concerned that a steep economic downturn is on the way in 2023 or 2024.

Revenue from the mobile and internet subscriptions should remain steady during a recession, as these services are required, regardless of the state of the economy. Even the TV subscriptions should hold up well, as most people will cut other discretionary spending before giving up their entertainment. In addition, households get discounts by bundling the mobile, internet, and TV services, so removing one service could potentially make the others more expensive.

Telus also owns interesting subsidiaries that have the potential to drive meaningful revenue and profit growth in the coming decades. Telus Health recently purchased LifeWorks to create a global digital health business that provides services to companies with employee health programs. Telus Agriculture has expanded from its focus on farmers to the broader consumer goods industry and provides digital solutions to make the entire food ecosystem more efficient.

Telus reported strong results for the third quarter (Q3) of 2022, extending a positive performance this year. Adjusted net income for the quarter came in at \$471 million compared to \$392 million in the same period in 2021.

Telus just raised the dividend, marking a 7.2% gain in the distribution over the past year. The stock currently trades near \$29 per share compared to more than \$34 at the 2022 high. Investors can take

advantage of the dip to get a 4.8% dividend yield.

Long-term investors have done well with Telus stock. A \$10,000 investment in the shares 20 years ago would be worth about \$155,000 today with the dividends reinvested.

Bank of Montreal

Bank of Montreal ([TSX:BMO](#)) paid its first dividend in 1829 and has provided investors with a distribution every year since that time. The board raised the dividend by 25% late in 2021 and by another 4.5% when the company announced the fiscal Q2 2022 results.

Bank of Montreal is using a good chunk of the cash hoard it built up during the pandemic to make a large acquisition in the United States. The purchase of **Bank of the West** for US\$16.3 billion will add more than 500 branches to the BMO Harris Bank operations in the United States and will give the bank a solid foothold in the California market.

The stock trades near \$132 at the time of writing compared to more than \$154 at the 2022 high. Investors who buy at the current level can pick up a 4.2% yield.

A \$10,000 investment in BMO stock 20 years ago would be worth about \$75,000 today with the dividends reinvested.

The bottom line on top dividend stocks to own for decades

Telus and Bank of Montreal pay attractive dividends that should continue to grow. If you have some cash to put to work in a TFSA or RRSP, these stocks deserve to be on your radar.

CATEGORY

1. Dividend Stocks
2. Investing

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1. TSX:BMO (Bank Of Montreal)
2. TSX:T (TELUS)
3. TSX:TD (The Toronto-Dominion Bank)

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