



The Best Infrastructure Dividend Stock for a Decade of Passive Income

Description

Finding a great dividend stock seems to be exactly what's on the minds of investors. The problem is, you could buy a dividend stock now with a high yield and still live to regret it. That's because high yields aren't all that should be considered when purchasing a dividend stock.

Investors need to find companies that have a strong history of dividend payouts and growth, as well as a solid future in the industry. That's why a great infrastructure dividend stock is exactly where investors should look on the **TSX** today.

Why infrastructure?

Infrastructure is [essential](#) to our daily lives. Whether it's heating our home, having a shower, or driving to work, infrastructure is necessary. Because of this, the industry offers protection during a downturn as revenue continues to come in no matter what's happening. But even better, there is the chance for incredible growth in the future.

This growth comes from several avenues, but I'll focus here on the two largest. Telecommunications and renewable energy are likely to be the biggest growth stories in infrastructure history. The renewable energy transition only works if there's the infrastructure to support it. Meanwhile, there is a massive need for an increase in anything related to the internet. We need faster speeds and stronger signals. And that won't happen without a huge improvement in infrastructure.

A dividend stock to consider

So with all this growth in the near future, the top infrastructure dividend stock I would consider is **Brookfield Infrastructure Partners LP** ([TSX:BIP.UN](#)). Brookfield is a solid choice with a parent company that continues to support its growth. Further, it has a diverse range of infrastructure projects underway, including oil and gas, as well as the above-mentioned telecom and renewables growth opportunities.

Because of these long-term trends, Brookfield stock is a strong choice not just now, but in the future. Plus, it's been around for more than a decade, growing 491% in the last 10 years. That's a compound annual growth rate (CAGR) of 19.4% as of writing. Plus, you can grab onto a 3.88% dividend yield as well while shares are up just 2.6% year to date.

Add in compounding dividend returns

If you were to invest \$10,000 in Brookfield stock now, you would bring in an annual passive income of \$382 from the dividend stock. Then, once shares reach 52-week highs once more, your \$10,000 investment would turn into \$11,130. That's a return of about \$1,512 in just a year's time.

What's more, this is a great dividend stock to hold long term. You could reinvest your dividends each year and see the same amount of growth, which right now comes to a CAGR of about 10%! Put it all together and your original \$10,000 investment could be worth \$73,237.50 in the next decade with [dividends reinvested](#).

Bottom line

If you're looking for a solid dividend stock that's going to keep paying you for decades, then infrastructure is a great place to look. Among infrastructure stocks, I believe that Brookfield stock gives you the most exposure to the largest amount of assets around the world. Further, it's an infrastructure play for the long haul. BIP provides you with a solid path to growth in returns – through both shares and dividends combined.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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

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