

hey everyone how about that \$starbucks stock many of you know that i own \$starbucks i purchased it 30 separate times throughout 2020 i purchased it in the 50s the 60s the 70s the 80s and even the 90s this doesn't even count my reinvested dividends and i'm doing that as well what's so exciting is late last week \$starbucks announced during their analyst day that their earnings are going to be really solid and that they're going to be really solid in the next few years they announced that in fiscal 2022 earnings are going to be up at least 20 percent they announced that in fiscal 2023 and in fiscal 2024 that earnings will be up 10 to 12 each year on this news the stock price surged it's up at a new all-time high i'm really excited about this in some respects but not in others because i'm a long-term dividend stock investor and i prefer to buy when share prices are low so needless to say i'm still reinvesting dividends but i'm not buying \$starbucks stock right now the purpose of today's video is to share with all of you three stocks that i am buying right now three stocks that i feel kind of like their \$starbucks when i was buying it back a while ago when it had a little bit more value to it and so these are the three stocks i'm buying right now and in fact these three stocks i purchased all three within the last week and so the first stock that i want to cover today is \$campbell's soup company and so many of you are familiar with their most iconic brand which is basically this particular soup right here that \$campbell's chicken noodle soup world-class iconic brand full of salt really good for all of those

of us that like to run and need some salt after the run to recover from it all but you may not know they also produce a variety of other products consumer package goods products that i actually really enjoy i'm going to show you some of those right now and so one of them is this goldfish this is the big box this is the one that we get at costco that has so many goldfish in it because our whole family both adults and both kids love goldfish and so these ones are really good and these are also full of salt very good for someone like myself who likes to run long distances you may not know that the \$campbell's soup company also produces these plum bars and pouches as well these are really great for kids these are really good products for kids and so \$campbell's soup company also they make a lot of pretzels up this one actually shout out frito lay this one's made by \$pepsi but i own those guys too but their competitor \$snyder's lance that one is owned by the \$campbell's soup company so i'm going to cover the \$campbell's soup company in today's video because the pe is a 15 right now they just raised the dividend they are transitioning from a period when they had poor management and now they have good management they've divested some bad acquisitions i think their product portfolio is very well positioned as compared to other cpg food companies so i like them very very much i also want to cover in the video today my number one favorite dividend stock of all time \$johnson and johnson even though it's trading upwards of and 150 dollars now in the scheme of our overall market i really like \$j j now and you're gonna see why i'm gonna do some balance sheet analysis as well you'll see how pristine

their balance
sheet is and the third stock that i
purchased just within the last week i
actually purchased it twice
and i purchased it as the christmas
present for both of my kids
now this is a stock that's not on sale \$j
j
\$campbell's soup i look at those on that
like they're on sale i look at those
like i looked at \$starbucks a few months
ago
not when \$starbucks was in the 50s but
maybe when \$starbucks was in the 80s or
the 70s maybe
surely not the 50s that was just fire
sale \$starbucks
but the third company \$the hershey
company this is my christmas present to
both of my kids i want to talk about
that
in detail in the video today i recently
analyzed this stock on my channel
and i'll show you something interesting
they make this product
pirates booty you may not you may think
\$hershey company it's just known for the
chocolate and their chocolate is world
class
but you may not know they also make
products like this pirate's booty
this stuff is so good this pirate's
booty again
really good snack for kids adults too
we love it and i'll tell you you may not
know but the \$hershey company also makes
this skinny pop popcorn and this is a
good
healthier snack i think it's only a
hundred calories total per bag
so not bad some popcorn there and so
i'm going to cover the \$hershey company
in the video today as well
i like to look at all three of these
companies as pandemic
proof companies if you will these are
companies that will
thrive in any kind of market and i
am excited about all three so let's get
started
with another exciting dividend video and
before i do everyone
please smash that like button and i'll
tell you why i recorded this entire

video last night
i did not like how it turned out and so
i decided
to re-record it again i guess that is
the life of a youtuber and i want to
share a quote
on the screen with you all right now
check it out this is a quote from jay-z
from his track so ambitious
and he says the motivation for me is
them telling me
what i could not be jay-z receives a lot
of
motivation and he did receive a lot of
motivation through the haters through
the skeptics and look how far he has
come
i am here to motivate all of you i am
here to motivate
the dividend investing community to
achieve excellence and that's why
i refilmed the video today because i
need to bring my best work to all of you
please smash the like button i love you
all let's get started with the video
[Music]
all right everyone let's start with the
\$campbell's soup company i want to share
that on the screen right now
i want to talk about some of the bullet
points that you see on the right hand of
the screen
first what do i love about this company
so much
one of the things first and foremost
that i love so much is the fact that it
flies under the radar
so many dividend investors so many
analysts they don't talk about this
company quite as much because it has a
smaller market cap this is a company
with a 14.3 billion dollar market cap as
you can see on the screen so it's a
smaller company
it doesn't get talked about quite as
much but their portfolio as i
illustrated to you in the introduction
today it really is
world-class especially now that they
cleaned up the portfolio they got rid of
some of those bad acquisitions
they fix things up they have so much
exposure to the snack food category
which is a really fast growing category

they have exposure to all of the treats
and snacks that we like to enjoy
at home or at work during these
stressful times
i think there's a resurgence in this
category if you will
because of the pandemic and i would say
these types of companies are the unsung
heroes of the pandemic they allow all of
us to have the food and nutrition
the snacks that we need during these
tumultuous times and so i love these
types of companies but i especially love
Scampbell's soup
because it flies under the radar and as
you can see on the left hand side of
your screen
right now it's trading at a p e of 15
and so
it really is flying under the radar they
actually just raise the dividend this is
not a company that increases the
dividend all the time
but they do it a little bit haphazardly
that's one of the things i don't love as
much that's why i say it has slow
and inconsistent dividend growth
needless to say though the five-year
dividend compound annual growth rate is
a respectable 3.5 percent and with their
49
payout ratio they surely have room to
grow that dividend they are paying out
less than half of their earnings per
share as
dividends and so that is uh leaves a lot
of room and it has a solid starting
yield of 3.15 percent
as someone who um doesn't look to retire
tomorrow doesn't look i'm look i'm
already using some of my dividends to
pay bills but
largely speaking i'm in a busy time of
my life right now i discussed this in my
last video which is a day in the life of
me
check it out i'll link to it in the
description below but i'm in a busy time
of life now i have two kids and whether
i
take an early retirement or semi-early
retirement or not
what i've kind of concluded is i'm going
to be busy regardless and so because of

that
i'm just going to hustle i'm just going
to keep working and so it's a busy time
and so what i'm saying is i don't need
my dividend cash flow
immediately i can i can scan to invest
in companies with
lower dividend yields that grow quickly
over time that being said
i surely like options and i do like
current cash flow because life changes i
never know what i'm going to do
and i am already using some of my
dividends to pay bills and so
\$campbell's soup it's in that sweet spot
dividend's not too big
dividends not too small has room to grow
it company itself is repositioned for
growth and so i like all of that now
what else do i like about this company
check it out on the screen
what i like is they acquired \$snyder's
lance this is one of their better
acquisitions and so
i goofed up in the introduction and
showed you guys the rolled gold
but uh rolled gold i guess is a
frito-lay product i own \$pepsi co2 that's
my number two favorite stock of all time
i love them
but \$snyder's lance is that iconic
pretzel brand
that was acquired by \$campbell's soup
company one of their better acquisitions
they own pepperidge farm which makes
goldfish and all those delicious cookies
and what i would say
that you can also see on the screen
right now is the management change
worked i actually really liked their
last ceo but unfortunately
that ceo did not work out and the
acquisitions that were made not all of
them were really good and so it seems
like the new ceo
the new strategy is working the company
is repositioning it
itself for growth and i kind of look at
this like i looked at \$starbucks back and
say
not the 50s or 60s that was just deep
discount but even the 70s
i knew from kind of field research
that the growth was coming for \$starbucks

but i also knew that the street wasn't fully reflecting that yet the stock price wasn't fully reflecting that and what i see with \$campbell's soup again just from my intuition is they've turned this thing around but the street isn't appreciating that yet the pe of 15 doesn't appreciate that yet and that creates a lot of opportunity for long-term dividend investors like myself to buy at a solid share price and so i really like buying \$campbell's soup here i just bought some as you can see on the screen right now at 47 and i will probably add more shares throughout the next few weeks in december and also looking into the new year all right everyone i want to move now to \$johnson johnson this is my number one favorite stock of all time check it out on the screen right now i don't have any fancy props for \$j j today but i think their numbers will speak for themselves especially when you see their balance sheet it's my number one favorite stock and one thing i have to remind myself as a dividend investor is sometimes it's okay to add to my largest position in fact it's really good to add to my largest position sometimes it's boring because this position is so large and when i add incremental money it doesn't make a super large position that much bigger but i have to get over that i have to get beyond that i have to remember to add to this one because it is so solid everyone needs health care we've learned that this year especially in 2020 and i would say one of the things that really surprised me the most as you can see on the left side of the screen through my analysis is that the five-year dividend compound annual growth rate is 6.1 percent on average i actually did not expect this this was a bit higher

than i had recalled
and so i highlight that and it's so
exciting to see a dividend growth rate
that high for a company this big which
is a 400 billion dollar company
this company tends to grow through
acquisition
they're really good at that they've
perfected that but what's so interesting
is their balance sheet does not carry
much debt at all nearly
none for a company of this size and it
just shows how effective they are at the
acquisitions
how effective they are at managing their
cash flow their balance sheet
this is a really well-run company this
is not a get-rich-quick overnight
company
but it offers stable growth both at the
top line
and eventually at the bottom line as
well which is so exciting to see
what else do i like about this company i
really like that it is a
mutual fund of sorts it's a diverse
healthcare business that offers consumer
medical devices and pharma
pharmaceutical products
i really like that it has an
international focus as well
49 of revenues from their 2019 annual
report come
internationally i would say just like
\$campbell's soup this is pandemic proof
in many ways they're doing share
buybacks
really well we'll see that later they're
not taking out debt to do it they're
doing it through cash flow which is the
right way to do it
and that being said there are some
things that i don't like about this
company i would say there's two things
in particular
that put my number one favorite stock of
all time at risk
and one of those are the lawsuits we
know that there have been some lawsuits
around the talc powder for example and
my heart goes out to anyone who alleges
from
the \$johnson johnson company that they
are affected

negatively by their products i the way i
look at it is i leave it up to the
courts i leave it to the legal system to
decipher
what is the best course of action for
those cases but just from
a pure investor standpoint i do have to
realize that this type of industry
the healthcare industry the pharma
industry it carries a little bit more
risk than selling goldfish for example
and so
that needs to be priced into the
investing strategy and as you can see on
the screen right now
that's probably why it's carrying a pe
looking forward to fiscal 2022
of 16.99 on my recent purchase price of
152.95 that's a really
low p e for a company of this caliber
and it's probably because of some of the
risks out there
which also include political risk as
well we know there's some political risk
with this coming because
the health care system in the us is
broken there's a lot of
room for improvement and as politicians
get involved in fixing this system my
question becomes how will that affect
\$jnj
will it be positive will be negative i
would say there's more risk than upside
and i think that's also priced into the
stock
that being said in the market we're in
given the size of the company given the
quality of the company i am surprised
that \$jnj
is trading at these levels and for that
reason i will keep buying in december
and also into the new year into 2021
this is my number
one favorite dividend stock pick of all
time and with that
check it out on the screen right now i
want to do a quick balance sheet
analysis you can see from their 2019
annual report on their balance sheet
i'm gonna go really quickly but what i
really wanted to show
is under liabilities kind of go
down the screen and look for current
liabilities loans and notes payable

only 1.2 billion it looks like
current liabilities are just really low
if you look in there there's not a lot
of debt
total current liabilities are only 35.9
billion for a company of this size
not very high especially when you look
at current assets at 45 billion
now look at the long-term liabilities
long-term debt
in particular is why i'm showing this
screenshot it's only at 26 billion
and total liabilities are only at 98
billion when their assets are 157
now those assets do include some
intangibles and also some goodwill
i imagine that is largely coming out
well i know the goodwill
out of their acquisitions i imagine the
intangibles as well
and um i would expect that for a company
that grows through acquisition
i would say maybe i discount that
goodwill in intangible assets a little
bit
but needless to say this company is
managing the balance sheet well
this company has very little long-term
debt for a company of its size and a
company of its skill
this is a company that i really respect
from
a balance sheet perspective and with
that let's look at the earnings really
quick again
this is from the 2019 annual report and
when i look at the earnings you can see
top line
sales are steadily growing 76 billion 81
billion 82 billion
steady growth and gross profit similar
51 billion 54.49 54.5
not growing quite as quickly but it's
growing net earnings
it jumps around a bit more from 1.3
billion to 15.29
to 15.1 in the short term sometimes net
earnings can be
wacky especially on a gaap basis
generally accepted accounting principles
because there are tax code changes there
are
certain effects that can go in that skew
these numbers in the short run and so

oftentimes

i like to look at an adjusted earnings
per share but what i like seeing here
just looking at gap earnings per share
and gap

income statement is the top line growth
most of all because the bottom line will
follow

and when i elaborate and i look at the
statement of cash flows which i'll show
on the screen

right now it helps explain as well some
of the earnings

net earnings uh fluctuations here on the
income statement so check it out and
what you see right now on the statement
of cash flows

i like to look at that net cash flows
from operating activities

it goes from 21 billion to 22.2 billion
to 23.4 billion so steady growth and
what i also like to see

is as i look lower on here it has
repurchases of common stock

at 6 billion 5.8 6.7 so they are buying
back common stock

but their net cash and cash equivalents
is largely similar throughout the years
it's not fluctuating

too much and so they're not uh taking
out of that cash for example

to buy back shares and we know that
their long-term debt

is very low um and so certainly they're
not taking out egregious amounts of debt
to buy back shares either from my
vantage point and so

i really like \$jnj's statement of cash
flows i think it's a pretty

solid statement of cash flows and this
is the reason quite frankly this is my
number one favorite company of all time
the numbers just look awfully good and
so i don't have a cool

prop to share on \$j and j but i think the
numbers speak for themselves

with that i want to move in to my third
stock today this is the \$hershey company
now

this one is a little bit different first

two i bought in my wife and my
account for our accord but for my kids
for the christmas holiday

i like to give them the gift of stock

and so they both now
own the Hershey company and the reason i
bought the Hershey company is i had been
buying them the Disney company for all
of these years
but the Disney company suspended its
dividend and being a dividend stock
investor
i prefer to purchase stocks that pay a
dividend now have i
sold the Disney company for them
absolutely not and i'm glad i didn't
because it has been actually recovering
quite well and surging in share price
that is um really good and i'm happy
about that and quite frankly i think at
some point in the future the Disney
company
will bring back their dividend and for
my kids i can't imagine they start
tapping into these dividends anytime
soon it's going to obviously be decades
into the future and i'm modeling out
some scenarios for them i'm kind of
looking hey
maybe if they start tapping into
dividends a little bit when they're in
their 40s
you know that's um 40 years from now and
so
basically 40 years from now i imagine
the Disney company
will probably bring that dividend back
and the yield on cost will probably be
really great and so that's i'm looking
at Disney i still like it for them
but certainly Disney is not the kind of
stock i could ever buy for myself
because
for me someone that's already using
dividends that will use it more and more
over the next two
three decades especially even 10 years
out
i'll be using dividends a lot more than
i am now
Disney company is not going to get there
for me not on my time schedule and
so
one thing that i think is a takeaway
here is that
you should assess what your time
schedule is different investors are at
different stages younger investors

can compromise on short-term dividend
yield for the long-term yield on cost in
the long-term growth but those dividend
investors like myself
who are already living off of dividends
a little bit
and want to do so increasingly over the
next
decade or so time frame not so long
i can't wait around long enough for
\$disney and quite frankly i can't wait
around long enough even for \$the hershey
company but i bought the \$hershey company
for my kids because one it's a brand
that resonates with kids
two they have such a solid product
portfolio and solid numbers
but three they got time on their hands
and so it's a perfect stock for kids in
my humble opinion
check it out on the screen right now
what are
my favorite things about \$the hershey
company i love their margins they are
very strong the products that they
produce are not very expensive to
produce or market quite frankly and so
their gross operating
and net margins are strong i will link
in the description below because i
recently recently did an analysis of
this company that proved just that
their dividend is growing at a strong
six point six percent
compound annual growth rate for the last
five years
we love pirates booty and skinny pop
as well it is a sleep well at night
factor this company is not going
anywhere
it is pandemic proof in my opinion and
kids adults alike always like to enjoy
some chocolate both in good times and
stressful times as well i know
this holiday season this christmas
season boy we're
already all all over the chocolate and
so i need to run a few
extra miles to to run that all off let's
keep going and so
what don't i like as well well there's a
low starting dividend yield which would
totally rule it out
for me but again for well i wouldn't say

totally but i've got enough stocks in my portfolio that are kind of lower yielders high growers that i don't need another but my kids totally works out well premium valuation right now \$campbell's soup \$j j are on sale right now \$hershey company is not but this is another very critical takeaway i'm building a portfolio or portfolios for my kids their time frame is very long i have a lot of younger investors here on the channel as well for people whose time frame is really really long i don't really think it's always good to buy value and i always try to buy value but what i'm also saying is for especially for someone with a really long time frame quality and selecting the right stocks in my opinion always always trumps value and so i think that's just something really important to consider for those with a really long time horizon now personally i own 47 quality stocks in my portfolio and at any given time some of them are on sale like \$campbell's super \$j j and so i just kind of go where the value is within the quality but i am looking at things a little differently for my kids because they have that time frame let's keep going so what else um sleep well at night factor what what else i would say i don't love u.s centric business it could use a little more international and hopefully they grow the international exposure over time i bought the shares at 150.35 um current pe is in the 24s this year 22s next year smaller market cap at 31 billion which i really like although not as small as \$campbell's one thing i would say all three companies today that share in common our payout ratio right around 50 this one for \$hershey's is at 51.7 i really love that these all three have

really solid payout ratios
and as you can see on the bottom of the
screen i did a really quick
uh yield on cost analysis this is simple
yield on cost this doesn't count
reinvested dividends
but for my kids when it's kind of 40
years from now maybe in like 2060
and they want to tap into their hershey
dividends the simple yield on costs not
even counting reinvested dividends
should be somewhere around 28 percent
some are probably more like you know
between 20 28
definitely at least 15 percent and so it
all depends if they can keep this
dividend growth rate up
i think they probably can but uh time
will tell i mean 40 years is a lot of
time and so
it'll be somewhere probably between 15
and 28
on cost not even counting reinvested
dividends and so
i like to buy a dividend grower for my
kids because they're in that bucket
where they have
the time and so i hope you enjoyed the
three stocks i shared today i love all
three for december for january
for different reasons obviously please
smash that like button
if you enjoyed the video today comment
below please subscribe
i love all of you the amount of work
that went into this video was tremendous
in that i not only researched all of
this but also filmed it twice
oh my goodness and so share a little
extra love if you have a minute with
those thumbs up
i am on patreon i have 12 bonus videos
there for my patrons
and counting i'm adding more and more
bonus videos every week i love the
patrons i love you all
thank you for your support before i
leave today in terms of full disclosure
i own the stocks mentioned today i am
long \$pepsico ticker symbol \$p-e-p
\$campbell's soup ticker symbol \$cpb
\$johnson and johnson ticker symbol \$jnj
i am also along \$starbucks ticker symbol
sbux

and um my kids are long \$disney stock
ticker symbol \$dis
and the \$hershey company ticker symbol
\$hsy
before i go today in terms of a friendly
disclaimer today's video is not
investment advice i'm not a licensed
investment advisor
today's video is just for your fun and
entertainment if you're going to go out
and invest in the stock market
please consult a licensed investment
advisor first
losing money in the stock market is very
possible i'm just sharing my personal
journey here on youtube for
fun and entertainment thank you so much
everyone for your support
happy holidays merry christmas happy
hanukkah
happy diwali all of the other
holidays happy kwanzaa i love you all
i will see you in the next dividend
investing
[Music]
video
[Music]
bye