



Millions of Dollars in Dividends Are up for Grabs

Description

The rule of the investing game is to buy low. There are three dividend stocks that I have on my radar that are in my buy zones. They're all below the midpoint between their 52-week lows and highs.

By buying below the midpoint, you know you're not paying the most dollars for the shares. I only use this simple midpoint method for quality companies that I intend to dollar-cost average into over a long time. It's one of the tools in my toolkit for long-term investing.

What I like about dividend stocks is that they're typically mature companies that generate stable cash flows, so they're able to share profits with shareholders in the form of dividends. For example, **Telus Corporation** ([TSX:T](#))([NYSE:TU](#)) has paid out close to \$1 billion of dividends this year alone!

If you're investing for the long term, take special care in choosing businesses that will likely be more profitable over time, year after year.

A trusty Canadian bank

First up is **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)). We all know how strong our banks are because they survived the financial crisis that happened six years ago. Bank of Nova Scotia is the third-largest Canadian bank, and it has paid dividends since 1832! It's hard to beat that kind of record.

The bank's midpoint is between its 52-week low of \$52 and its 52-week high of \$71. Today the shares are below \$61 and yield 4.6%

A growing demand for renewable energy

There's a growing demand for renewable energy, and buying shares of **Brookfield Renewable Energy Partners LP** ([TSX:BEP.UN](#))([NYSE:BEP](#)) is a simple way to gain exposure to that trend. Brookfield Renewable owns primarily hydropower facilities and wind farms in the United States, Canada, Brazil, and Europe. Seventy-five percent of its assets are in North America.

Its midpoint is between its 52-week low of \$32 and its 52-week high of \$42. Today the shares are \$34

and yield almost 6.4%. One thing to note is that its distributions aren't entirely eligible dividends. To avoid the tax-reporting hassle, buy it in a TFSA or an RRSP. Additionally, its high yield is partially due to the strong U.S. dollar, the currency that it pays out.

Fastest-growing telecom

Telus is the fastest-growing telecommunications company in Canada. Telus's annual revenue reached \$12.4 billion in the last 12 months. Due to the steady nature of its business, it hasn't posted a single negative earnings year in the past 10 years.

Telus's midpoint is between its 52-week low of \$40 and its 52-week high of \$45. Today the shares are below \$42 and yield 4.2%.

In conclusion

If you're looking for businesses that share profits with you in dividends, consider the companies above. They have a history of increasing their dividends, so holding a portfolio of them guarantees an increase in your income. Even if one company doesn't increase the dividend, another will.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. NYSE:TU (TELUS)
4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:T (TELUS)

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