3 Dividend Stocks I'd Buy Right Now

Description

Whether you're looking for something to offset some of your losses on the markets this year or just want some recurring cash, dividend stocks are a great way to add some stability to your portfolio. For a stock to be able to offer a payout to its shareholders, it needs to have some consistency in its earnings and confidence that it can continue to pay a dividend for some time. After all, no company wants to announce that it is going to be cutting its dividend.

Below are three dividend stocks that have seen their yields rise as a result of recent sell-offs and that could be great bargains to add to your portfolio today.

Algonquin Power & Utilities Corp. (TSX:AQN)(NYSE:AQN) has declined more than 9% to start the year, and it has recently hit a new 52-week low. The stock's 50-day moving average (MA) also dropped below its 200-day MA back in February, which would have created a very bearish trigger for technical analysts.

However, despite all the negativity, the share price has found some stability and support at ~$12.60, making it a good buying opportunity today. Algonquin is a quality investment, as the company has posted a profit in each of the last five quarters, and in its most recent earnings report sales were up nearly 70%, while profits also climbed more than 30%.

The drop in price has also increased its dividend yield, which now sits at over 4.7%.

Telus Corporation (TSX:T)(NYSE:TU) has also been off to a poor start to 2018 with the stock price down more than 5% year to date. Like Algonquin, this stock has also seen its 50-day MA dip below its 200-day MA recently, although we haven't seen an uptick in bearish activity.

Telus is normally a very stable stock, and even despite the disappointing start to the year, the share price is actually up over 1% from last year. The stock has generally seen strong support over $44 a share, and the closer you can get it to that price, the more you can maximize your returns.

Telus is a great dividend stock that pays its investors 4.5%, and the company has a good reputation for increasing its dividends quite regularly. While it may not be a stock that you'll likely see significant returns from, it can provide your portfolio with some stability, even during troubling times.

Hydro One Ltd. (TSX:H) is another utility stock on this list, and for good reason. There is a lot of potential for the company, as its recent U.S. acquisition will give it many opportunities for growth. Since being listed on the TSX, the stock has failed to sustain any momentum, as it is down 7% in the less than three years that it has been traded on the exchange. In the past year, Hydro One's stock has plummeted 14%.

The good news is that the company has a lot of potential going forward, and with strong fundamentals, it's a quality buy. The stock has a price-to-earnings ratio of less than 20, and it is trading at 1.3 times book value, so investors won't be paying much of a premium to own Hydro One.

The utility provider also pays its shareholders a reliable dividend of 4.1%.

CATEGORY

1. Dividend Stocks
2. Investing

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1. Editor's Choice

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:TU (TELUS)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:H (Hydro One Limited)
5. TSX:T (TELUS)

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