3 Dividend Stocks to Buy Before Summer

Description

Here at the Motley Fool Canada, we talk about dividend stocks a lot — and for good reason. Every portfolio needs at least one or two investments that are guaranteed to pay up every month or at least every quarter.

But it's not all that often we talk about buying up dividend stocks before a certain time, but for these three I'd say there is a definite due date.

Based on a slowing market, growing share prices, and future growth, these three stocks are due to rise substantially over the summer months. That makes now an ideal time to buy before the summer sun comes out, so you can bask in not just the heat, but the glory of your portfolio.

Enbridge Inc. (TSX:ENB)(NYSE:ENB) is a no-brainer when it comes to investing, both as a dividend and as a potential high-growth stock. Due to the oil and gas glut, this stock has had a hard time getting back to where it should be. At the time of writing, shares sit around the $50 price, when fair value should be more like $60.

However, that's due to change. This company is on a tear when it comes to growth, announcing that its Line 3 Pipeline Replacement and Expansion Project will be up and running by the latter half of 2020. This is only the beginning, as the company has a number of other projects in the works that will come online in the next few years.

This is in addition to the long-term contracts Enbridge has that will keep both shareholders and its dividend happy and healthy for years. That dividend sits just shy of 6% at 5.96% at the time of writing. So have this stock in your portfolio before the summer months, and share price, heats up.

Cineplex Inc. (TSX:CGX) is another no-brainer given the time of year. The summer months are when movie theatres hit hard, and with movies like *Avengers:Endgame* already proving to bring in some bank, this stock is nearing a hot streak.

While this stock may not pay out for years for shareholders, its dividen will. As of writing, that dividend sits at an incredible 6.79%, while its share price remains around $25 per share. Analysts predict that in the next 12 months, that price could grow significantly to around $37 per share.

This optimistic view could be due to the company's venture into the field of entertainment venues with its Rec Room, where attendees can see movies, and enjoy games and live entertainment.

This growth has already increased the company's bottom line, demonstrating that it can roll with the punches, and giving investors a reason to enjoy that dividend while the stock grows.

Bank of Nova Scotia (TSX:BNS)(NYSE:BNS), better known as Scotiabank, is yet another no-brainer stock with a very strong dividend. And as a bank, investors may be a bit more comfortable putting their money down on this stock above the others.

As the third-largest bank in Canada in terms of assets, the company continues to grow its bottom line by growing its footprint. It's the most international of the Canadian banks, opening it up to gains from multiple economies, and growing by 26% in its latest quarterly results.

Analysts predict this growth to continue over the next 12 months with share prices reaching $87 per share from where it sits at writing at $71.45.

This should prove to grow not only share price, but also its dividend for years to come, which sits at the time of writing at 4.72%. The company is confident that it can continue raising the dividend by 6% to 8% over the next few years, after just raising it 6% during its latest quarterly results.

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