



## Patient Investors Rejoice: These 3 Dividend Studs Are Finally on Sale

### Description

Long-term investors should love stock market sell-offs. They give us the chance to buy great stocks at a discounted price.

The only real issue is sorting the good buying opportunities from the ones that don't look so compelling. With most stocks getting crushed during a sell-off, it's hard to tell the good from the bad. Everything gets cheaper.

We can help. Here are three stocks that look like great long-term buys, all trading at bargain prices today. You won't want to miss out on this opportunity.

### Telus

Although the stock has rallied over the last few days, **Telus** ([TSX:T](#))([NYSE:TU](#)) shares have still been weak over the medium term, falling nearly 10% from recent highs set in June. One thing likely pushing down shares is recent political pressure, with Justin Trudeau [telling voters](#) his party plans to bring down cell phone bills by introducing more competition to the market.

Rather than focusing on short-term issues like that one, investors should pay attention to Telus's solid position in the wireless market, its growing wireline services — including cable TV — and some of its interesting expansion plans in newer parts of the company. The company's healthcare division is interesting, and it just announced a big acquisition to bolster its security division.

I'm also a big fan of the company's refusal to buy any media assets. Profit margins from the core telecom business are far better than media. Telus is smart to stick to its bread and butter.

Investors get to buy this rock-solid company at a good valuation, too, with shares trading at approximately 15 times next year's earnings. The stock also offers a 4.8% yield — a payout with excellent dividend growth potential ahead.

## Methanex

Despite doing a lot of things right lately, **Methanex** ([TSX:MX](#))([NASDAQ:MEOH](#)) shares have been dropping steadily, including a 25% haircut in the last three months.

The company is the world's largest supplier of methanol, a compound used in everything from paint to medical applications. Methanol is also added to gasoline and diesel to help reduce emissions. Use of the chemical is expected to grow by some 5% annually over the medium term.

Methanex is in a good position to take advantage of this increased demand. It has nearly three times the market share as its next largest competitor. It has well-established production facilities in all corners of the world. And it has the balance sheet strength to weather any downturn in the market.

Investors should like the company's attractive forward P/E ratio, with the stock trading at around 11 times next year's estimated earnings. Methanex is also one of the TSX's most shareholder-friendly enterprises. It has reduced the share count by 18% since 2012 and has hiked the dividend by 93% during the same period. Shares yield a robust 4.1% today.

## Brookfield Property Partners

**Brookfield Property Partners** ([TSX:BPY.UN](#))(NASDAQ:BPY) hasn't performed well over the last few days, with its share price collapsing approximately 7% since September 26 alone. This makes it a great time to nibble at a stock I like so much I called it [my top pick of 2019](#).

Brookfield owns some of the world's top real estate, including office buildings in places like New York City, Toronto, London, and Berlin. It also owns many of the top shopping malls in the United States. And it has a distressed asset division that picks up unloved property at a nice discount.

The company's management estimates shares are worth approximately US\$30 each, with the stock trading hands at approximately two-thirds that amount when priced in U.S. dollars. Management continues to buy back stock at today's level, convinced undervalued shares are a great use of capital. I'd be doing the same thing if I were in charge.

Meanwhile, investors are treated to a 6.8% dividend as a consolation prize — a payout that should grow by at least 5% annually going forward.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NASDAQ:MEOH (Methanex Corporation)
2. NYSE:TU (TELUS)
3. TSX:BPY.UN (Brookfield Property Partners)
4. TSX:MX (Methanex Corporation)

5. TSX:T (TELUS)

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**Date**

2025/07/01

**Date Created**

2019/10/04

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