



2 Industry Titans That Are Smart Buys as 2019 Comes to an End

Description

Guarded optimism is replacing recession fears now that normalcy seems to be returning to the global markets. A possible trade deal between the U.S. and China could reignite corporate investments and propel global growth in 2020.

With the improving environment, Canada is an attractive destination for foreign investments. The energy and technology sectors in the country would be among the biggest beneficiaries of renewed international interest.

For retail investors looking for [smart buys](#) before 2019 comes to an end, industry titans **Imperial Oil** ([TSX:IMO](#))([NYSE:IMO](#)) and **Telus** ([TSX:T](#))([NYSE:TU](#)) are appealing choices. Both stocks could be next year's top performers as business growth looms.

Iconic energy stock

Imperial Oil, a dominant Canadian energy company, backed by American oil giant **ExxonMobil**, offers an exciting value proposition. This \$25.5 billion company is showing resiliency, despite the subdued oil prices. The stock price has remained flat for most of the year, although analysts are projecting a 21% climb next year.

As the largest refiner of petroleum products in Canada, Imperial Oil can maintain a healthy balance sheet. Global energy demand is never decreasing and is even expected to rise by 25% through 2040. Also, it has an edge over competitors because of the company-owned pipeline and refinery infrastructure.

But the real advantage in investing in the stock is the safety of your investment. Imperial Oil pays a decent 2.6% dividend with a corresponding payout ratio of 22.91%. The dividend is sustainable and safe owing to the stock's 24-year dividend streak.

The current price of \$33.86 is a good entry point. Imperial Oil is a valuable addition to your portfolio if you have a long-term investment window.

Tech-savvy telecom

Not only is Telus a Dividend Aristocrat, it's partly becoming a technology aristocrat. This \$30.1 billion company is leading the way in advancing digital health technologies in Canada. The telecom stock also pays a hefty 4.66% dividend.

The country's third-largest telecom is fully committed to driving healthcare efficiencies and enhanced patient experiences through the use of advanced technology. Next year, Telus will further grow its customer base, as it combines the wireless and wireline business segments with its suite of digital solutions for the healthcare industry.

Together with Babylon, one of the leading digital health companies in the world, Telus Health will be providing doctors and patients in Canada with access to virtual healthcare technology solutions and services.

Telus is coming to the aid of the healthcare system in Canada. According to the study by the Canadian Medical Association, 75% of Canadians are banking on new technologies to solve existing issues in healthcare.

About 70% would welcome virtual physician visits, which could eventually lead to timely and convenient care. **Walmart** is already preparing a province-wide roll-out of Ubik, Telus Health's next-generation pharmacy management solution.

Formidable combo

It's a twin steal if you can combine Imperial Oil and Telus in your portfolio basket. You have an ever-reliable energy stock plus a dynamic telco stock that's using technology to the hilt to improve healthcare services in Canada.

An average dividend of 3.66% is relatively decent as well to deliver [a growing passive income](#) for the long haul.

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2. NYSEMKT:IMO (Imperial Oil Limited)
3. TSX:IMO (Imperial Oil Limited)
4. TSX:T (TELUS)

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