Buy the Dip: Load Up on These 3 Dividend Stocks Today… Before It's Too Late!

Description

Successful investing is easier than most people think. All you really need to do is sit back, relax, and then buy stocks when the opportunity presents itself.

Buying opportunities are there every day. We have only a certain amount of capital available to us, and there are thousands of different stocks available to buy in North America alone. If you can't find a few enticing companies — even when the market is overvalued — you're not looking very hard.

Today, of course, the stock market is not at all-time highs. We're in the midst of one of the biggest (and quickest) sell-offs in recent memory, and the carnage may not even be done yet. Investors are seeing months of gains evaporate quickly, right before their very eyes.

I know it's tough, but we need to forget about our losses for a second. Because today is a fantastic buying opportunity. You'll regret not loading up on these three cheap stocks a few years from now.

H&R REIT

Despite usually being a pillar of strength in turbulent markets, Canada's REITs are being hit hard in this downturn. Bargain hunters, rejoice! This means **H&R REIT** (TSX:HR.UN) shares are really cheap.

Just how cheap is the diversified owner of some 40 million square feet of retail, office, industrial, and residential property? The company earned $1.76 per share in funds from operations last year.

The stock trades at approximately $20 per share as I write this, putting the stock at just 11.5 times trailing earnings. Shares also trade significantly under book value, which is closer to $25 per share.

H&R is taking advantage of low interest rates to expand its empire, specifically focusing on residential property in the United States. It owns some 10,000 apartments already, and is developing more in places like Austin, Seattle, San Francisco, and Miami. The next phase in its development pipeline will likely be mixed-use buildings in Toronto using some of the land it already owns.

In the meantime, investors collect a 6.7% dividend — a distribution with a payout ratio in the 80% range.

TD Bank

Despite posting pretty solid earnings earlier this week, bearish investors are still sending **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD) shares lower as they worry that a poor economy will impact Canada's banking sector.

I view things a little differently, however. This is a chance to load up on one of Canada's best banks at a bargain price. At just $70 per share — which is a fresh 52-week low — TD trades at just 10 times forward earnings expectations. The stock is hardly ever that cheap.

Even if you're worried about the Canadian economy, TD still has strong exposure to the United States. Recent numbers from that part of the business have been a little lackluster, but there's still ample opportunity to grow as the fragmented U.S. banking system continues to consolidate.

TD also just hiked its dividend to $0.79 per share each quarter, which good enough for a 4.5% yield — something you don't see very often from TD.

Restaurant Brands

Similar to the other two stocks on this list, **Restaurant Brands International** (TSX:QSR)(NYSE:QSR) shares have also hit a new 52-week low recently.

The owner of Tim Hortons, Burger King, and Popeyes has some 26,000 total restaurants in more than 100 countries worldwide that collectively do $32 billion in annual sales. Both Popeyes and Burger King have been posting solid sales increases lately, while Tim Hortons has been struggling a bit.

Management has vowed to right the ship by focusing on the basics and staying more true to the brand. In other words, you won't see another plant-based burger at Timmy's anytime soon.

Shares sit at around 20 times forward earnings expectations, which is a fair value for such a high-quality company. Earnings should grow by about 10% per year as the company adds new restaurants and grows same-store sales.

And remember, shares are down more than 20% in the last six months. A little reversion to the mean should translate into some nice short-term returns.

Finally, the company's dividend has suddenly become pretty generous. The current yield is 3.4%.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:HR.UN (H&R Real Estate Investment Trust)
4. TSX:QSR (Restaurant Brands International Inc.)
5. TSX:TD (The Toronto-Dominion Bank)

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1. Bank Stocks
2. Dividend Stocks
3. Investing

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