



## 2 Top Income Stocks for September 2020

### Description

The September sell-off we currently find ourselves in could evolve into a market crash, or it may be a garden-variety correction that's already over. In any case, investors should look to scoop up the bargains as they come along while paying less attention to where talking heads think the markets are headed next. After a turmoil-filled three quarters of 2020, there are ample income picks for investors seeking to get a bit more yield for less.

In this piece, we'll have a look at three bountiful bargains that income investors should consider buying right now, rather than waiting for September — historically, a bad month for the stock market — to end. Because, like it or not, the bargains you see today may be gone in a week from now. And by not buying anything, you run the risk of walking away from this sell-off empty-handed — a real risk for investors of all ages.

Without further ado, consider **Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)) and **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)), which sport dividend yields of 4.9% and 4.5%, respectively, at the time of writing.

### Shaw

Shaw is a misunderstood Canadian telecom with a massive catalyst up its sleeves. The new entrant into the Canadian wireless scene recently launched Shaw Mobile, a wireless service aimed at its existing internet subscribers. The wireless/internet bundle offers Canadians an unprecedented magnitude of savings as we delve deeper into one of the worst recessions in recent memory. Undoubtedly, the spike in unemployment will cause consumers to tighten their belts when it comes to monthly expenses.

Shaw lowers the bar drastically in the Canadian wireless scene with its 25GB LTE mobile offer for \$45 per month to existing Fibre+ customers in western Canada. While the Big Three competitors are likely to all launch similar “win-back” promos, including credits to prevent massive subscriber losses, I think Shaw is poised to walk out of a potential data price war as a huge winner.

Shaw is forcing its peers to play in its arena. Eventually, I believe we'll reach a Nash Equilibrium, as Shaw looks to grab an equal quarter of the telecom pie. In the meantime, Shaw's aggressive marketing campaign is likely to spark a wave of folks migrating to Shaw from the Big Three for both internet and mobile. In a way, it's the perfect one-two punch that could pave the way for a blowout quarter that could send Shaw shares on a sustained rally to \$30.

The dividend also looks poised to grow at a double-digit rate, regardless of what happens next with this pandemic.

## Nutrien

It's hard to go against the grain with a name like Nutrien. The fertilizer kingpin is on the receiving end of a profound downtrend, with agricultural commodities that have been stuck in limbo for a ridiculously long time. Nutrien is a ridiculously cheap stock at just one times book value and 1.1 times sales. But as you may know, buying a commodity producer and praying that the underlying commodity goes higher is not a smart investment strategy.

While I'd much prefer to wait for potash prices to show further evidence of [reversing course](#), I think Nutrien stock has become far too cheap to ignore for income-focused investors who seek a juicy (and sustainable) dividend without having to break the bank. Nutrien has a solid balance sheet and a resilient enough retail segment to continue riding out the storm, as [COVID-19](#) headwinds linger.

Nutrien isn't the timeliest stock in the world, but it's pretty compelling at these depths, especially given a rising global population that's likely to increase the demand for crop yields.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:NTR (Nutrien)
2. NYSE:SJR (Shaw Communications Inc.)
3. TSX:NTR (Nutrien)
4. TSX:SJR.B (Shaw Communications)

### PARTNER-FEEDS

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