



Buy Telus (TSX:T) Stock Now

Description

The coronavirus has been wreaking havoc for more than eight months now. That's a long time. So, as the second wave accelerates, let's find ways to protect our money. One way we can do this is by buying top stocks. **Telus** ([TSX:T](#))([NYSE:TU](#)) is an example of a top dividend stock to buy today.

The second wave of the coronavirus accelerates

The second wave of the coronavirus has accelerated. Therefore, many different areas currently in lockdown mode. As this is happening, other areas are in the red zone. They are contemplating an eventual lockdown. This is all a big blow to many businesses. Unfortunately, it is the small business owners that are suffering the most.

After the first lockdown, most businesses made big progress on digitizing their operations. The importance of an online presence was never as clear as during that lockdown. Hopefully, many businesses can fare better the second time around. Telus has helped many of them digitize. They will therefore do better this time. Telus stock can also help investors like us achieve our goals.

Telus stock is relatively immune to coronavirus lockdowns

As one of Canada's leading telecommunications companies, Telus is a force to be reckoned with. The company has grown rapidly into to a \$31 billion telecom giant. Revenue has grown at a compound annual growth rate of 4% over the last four years. And Telus has consistently grown its network and reach.

In 2020, the coronavirus lockdowns have had a very limited effect on the company. Revenue and earnings have remained strong — so strong that Telus was able to increase its dividend recently, as per its plan. Telus has thrived in this new world, where digital connection is ever more important. For example, Babylon is Telus's healthcare app. It is digitally connecting the Canadian healthcare system. Also, Telus International is helping companies across many different industries. This work is helping them with their digital transformation.

As we can see, Telus stock is a top stock that remains a solid defensive bet today.

This top stock is a steal for its safe 5% dividend yield

Telus's financial position is top notch. It is the kind of well-managed balance sheet that all companies dream of. It is characterized by three strengths. Firstly, Telus has a really strong liquidity position. Secondly, the company has manageable debt levels. Both of these are important as they ensure its survival. Lastly, Telus has a healthy free cash flow profile that allows investment in the future.

The business is not hugely impacted by coronavirus lockdowns. [It is also relatively insensitive to economic problems](#). These things are important to note, as we head into more coronavirus lockdowns. With more economic pain looming, we can see the value in Telus. Investors can have faith in its dividend.

Speaking of the dividend, let's talk more about the company's dividend yield. I think this is a real opportunity to buy Telus. It is, after all, trading at a 5% dividend yield. Telus's financials are of the highest quality. Given this, its 5% dividend yield is very, very generous. I would normally expect a riskier company to be behind a 5% dividend yield. And this is truly a big part of what makes Telus such a great buy. It is this discounted valuation that we investors should really pounce on. We get both safety and an elevated dividend yield.

Motley Fool: The bottom line

The second wave of the coronavirus continues to accelerate. [As it accelerates, this second wave will leave behind more pain](#). The physical, emotional, and financial pain is mounting. My job here is to try to help investors minimize the financial pain. As you think about what to do next, consider buying Telus stock. Buy this top dividend stock for its 5% dividend yield. Also, buy it because it's safe.

CATEGORY

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