



3 Dividend Stocks on Boxing Week Sale

Description

Thank goodness Canadian investors don't have to line up physically to get in-store deals like consumers do for the Boxing Day sale. In fact, the Canadian stock market is closed today, which gives investors the opportunity to research potential ideas without the distractions of changing stock prices every second the market is open.

Here are a few dividend stocks that are [on sale during Boxing Week](#).

Dividend stock with a 6% yield

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) is a blue-chip dividend stock that's on a Boxing Week sale! At just under \$53 per share, it's trading at similar levels as 2016. This gives investors a buying opportunity to lock in a high dividend yield of 6.1%.

Additionally, according to its usual dividend-growth schedule, it will be increasing its dividend again soon in the new year. This time the dividend stock will likely increase its quarterly dividend by about 8%. That implies a forward yield of almost 6.6%! From 2022 and beyond, management thinks it's appropriate to grow the dividend by about 6% per year.

TC Energy is acquiring **TC Pipelines**. For each TCP common unit, TCP unitholders will receive 0.70 of TC Energy common shares. This prices TCP at about US\$28.94 per share, which is a good deal for TC Energy.

This transaction is expected to complete by Q2 2021 and will allow TC Energy to consolidate its interest in eight FERC-regulated natural gas pipelines, thereby simplifying its corporate structure.

Analysts think TC energy is undervalued with 33% near-term upside potential over the next 12 months.

Bank stock with a 5% yield

Investors who are counting on the vaccine distribution to take effect by the first half of 2021 and bring back a more normalized economy might consider a position in our solid Canadian banks that are well protected by a supportive regulatory environment.

For example, **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) is still relatively cheap from its normalized levels. Within a year or two, BNS stock can trade about 20% higher.

At \$68.54 per share at writing, it provides a safe yield of 5.2%. It'll be able to resume dividend growth as soon as regulatory bodies think it's safe to do so in a more certain macro environment.

Dividend stock with high growth

TC Energy and Bank of Nova Scotia are income investments that are expected to grow earnings stably by about 5% per year over the next five years.

The last dividend stock that's on Boxing Week sale has a different kind of profile than TRP and BNS. **Alimentation Couche-Tard** (TSX:ATD.B) has a small yield but is expected to grow earnings at a much faster pace of about 15-20% per year. So, an investment today can double investors' money in about five years.

Couche-Tard has an equal mix of organic and inorganic growth opportunities going forward. Organically, management sees opportunities around customer journey, innovation, and deployment of retail capabilities. It also sees global acquisition ideas, particularly in the United States and Asia.

Many of its convenience stores also provide road transportation fuel dispensing. You do not need to worry too much about the work-at-home crowd, which might lead to fewer visits for gas refills during the pandemic, because about 65% of Couche-Tard's transactions are convenience only.

Besides, Couche-Tard is well positioned to continue to attract consumers as they shift to electric vehicles (EV). It's learning and testing at its EV laboratory in Norway, where there's a higher percentage of EVs.

At \$44.62 per share, the large-cap growth stock is cheap for its growth potential.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Stocks for Beginners

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:TRP (Tc Energy)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:TRP (TC Energy Corporation)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Stocks for Beginners

Tags

1. Editor's Choice

Date

2025/07/07

Date Created

2020/12/28

Author

kayng

default watermark

default watermark