



Millennials: 3 Under-\$40 Dividend Stocks I'd Buy to Retire Early

Description

No matter what age you are, it's always a good time to plan for retirement. In fact, if you're a millennial, you don't even have to make an enormous investment to plan for millionaire status. By simply investing on a consistent basis what you can afford, you can create a retirement nest egg to see you through decades. And that's especially true if you invest in dividend stocks.

Dividend stocks provide investors with not just passive income to pay bills; they can also be used to reinvest! If you're worried about what you can afford to invest, these are the perfect stocks to pick. They'll keep your investments growing, even if you can't add another penny.

With that in mind, let's look at three cheap dividend stocks millennials can invest in today to have millions by retirement.

NorthWest Healthcare stock

One of the best places to start your search for strong dividend stocks is in real estate. However, you want that income to remain stable. That's why I like **NorthWest Healthcare Property** ([TSX:NWH.UN](https://www.nwh.un)). The healthcare REIT owns a diverse range of healthcare properties around the world from office buildings to hospitals. As we've learned in the pandemic, these stocks certainly don't get pushed aside, even in an economic downturn. This assures stable income. In fact, the company now boasts an average lease agreement of 14.3 years.

Shares of NorthWest are up 9.5% year to date and 80% in the last five years. Those are some solid returns already. However, it also offers a juicy dividend yield of 6% as of writing. Even better, it's still incredibly cheap, despite increasing its portfolio and announcing solid revenue growth. You can pick up the stock at \$13.34 per share as of writing, with a P/E ratio of 9.49 and a potential upside of 9% for the next year, according to analysts. This is the perfect long-term hold for millennials buying dividend stocks for retirement on the **TSX** today.

Suncor stock

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) has [struggled](#) in the last few years. Suncor stock took a major fall back in the oil and gas crisis in 2018 and really has yet to fully recover. In fact, it slashed its dividend in *half* during the COVID-19 pandemic, with production reaching incredible lows. But that makes this long-term company a steal at today's levels. The company is Canada's largest fully integrated oil and gas producer and has since entered the field of renewable energy. Suncor stock is a dividend stock you won't have to give up on decades from now.

Granted, that dividend yield was cut, but this also means it's due to make a comeback in the very near future. Suncor's earnings have increased pretty much across the board, so when it looks like the pandemic is behind it, management will likely boost the dividend yield once more. As of now, shares of the company have climbed 40% in the last year yet are still just at \$24. And it still offers a dividend yield of 3.51% as of writing. Furthermore, you can pick it up with a valuable 7.22 EV/EBITDA and a potential upside of 53%, according to analysts on the TSX today.

TELUS stock

Finally, the telecommunications sector is a solid place for millennials to look for dividend stocks. These companies will continue to [thrive](#) in a low competitor environment. But above the other top three, I would consider **TELUS** ([TSX:T](#))([NYSE:TU](#)) to be my favourite. TELUS stock has moved away from traditional methods of the telecommunication business to look for future ones. That includes partnering with automakers to allow for 5G capabilities in new vehicles, moving towards autonomous driving. It's also heavily invested in the tech sector. Radio and television just simply don't cut it anymore for this company.

Plus, the company has seen revenue come in strong during the pandemic, laying wireline and increasing its 5G rollout to bring in more clients. Shares of TELUS stock remain cheap, however, at just \$28 per share as of writing. Shares are up 18% year to date, and it offers a strong dividend yield of 4.39% as of writing. You can pick it up today with a valuable 13.09 EV/EBITDA, and a future upside potential of around 7%, according to analysts on the TSX today.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. NYSE:TU (TELUS)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
4. TSX:SU (Suncor Energy Inc.)
5. TSX:T (TELUS)

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