The 3 Best Dividend Stocks to Buy Before Christmas

Description

The **S&P/TSX Composite Index** was down 426 points in mid-morning trading on November 26. Markets have been spooked by the emergence of a South African COVID-19 variant. Some countries have already called for renewed border closures. In this environment, investors may want to target top dividend stocks to shield themselves from volatility. Below are three income-generating equities to target ahead of the holiday season.

Here's a top energy stock to add before the holidays

Suncor Energy (TSX:SU)(NYSE:SU) is one of the largest integrated oil and gas companies in Canada and around the world. Shares of this Calgary-based dividend stock have increased 44% in 2021 as of mid-morning trading on November 26. The stock was down 8.7% during today's trading session at the time of this writing.

The company unveiled its third-quarter 2021 earnings on October 27. It posted funds from operations of $2.64 billion, or $1.79 per common share — up from $1.16 billion, or $0.76 per common share. Suncor's earnings were powered by improvement in its Refining & Marketing business as well as a strong turnaround at its Oil Sands Base. Total upstream production increased to 698,600 barrels of oil equivalent per day boe/d compared to 616,200 boe/d in the third quarter of 2020.

Shares of this dividend stock possess a favourable price-to-earnings (P/E) ratio of 19. It last hiked its quarterly dividend back to pre-pandemic levels of $0.42 per share. That represents a strong 5.4% yield.

Why I'm buying this dividend stock on the dip

Rogers Communications (TSX:RCI.B)(NYSE:RCI) is one of the top telecommunications companiesin Canada. This dividend stock has suffered from volatility due to a power struggle at the very top.Edward Rogers appears to have come out on top in November. This has the potential to stabilize theprice for the long haul. Shares of Rogers have dropped 3.5% in 2021 at the time of this writing. Shareshave jumped 4% in the month-over-month period.

In late October, I'd suggested that investors should buy the dip in this top dividend stock. The company posted Wireless service revenue growth of 3% in Q3 2021 and adjusted EBITDA growth of 2%. Meanwhile, its struggling Media division returned to profitability with an adjusted EBITDA of $33 million.

This dividend stock last had an attractive P/E ratio of 18. Rogers offers a quarterly dividend of $0.50 per share, which represents a 3.4% yield.

One more dividend stock to stash before 2022

TransAlta Renewables (TSX:RNW) is a Calgary-based company that develops, owns, and operates renewable power-generation facilities. Last year, I'd discussed why young investors should look to get in on the green energy space for the long term. Shares of this dividend stock have plunged 17% in 2021 at the time of this writing.

Earlier this month, TransAlta unveiled its third-quarter 2021 earnings. Comparable EBITDA jumped 49% year over year to $381 million. Meanwhile, free cash flow surged 79% from the prior year to $189 million, or $0.70 per share. Moreover, this dividend stock is still trading in favourable value territory compared to its industry peers. It offers a monthly distribution of $0.078 per share, which represents a strong 5% yield.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:RCI (Rogers Communications Inc.)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:RCI.B (Rogers Communications Inc.)
4. TSX:RNW (TransAlta Renewables)
5. TSX:SU (Suncor Energy Inc.)

PARTNER-FEEDS

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

PP NOTIFY USER

1. aocallaghan
2. kduncombe

Category

1. Investing

Date
2025/08/23
Date Created
2021/11/26
Author
aocallaghan