



## Buy the Dip: 3 Dividend Stocks to Hold Forever

### Description

When the stock market starts to drop, I'm sure I'm not the only one whose nerves start to get the best of them. I look at some of my stocks starting to drop and think, "Should I sell?" That includes some dividend stocks.

But the main point that keeps me confident is that the stock market continues to pull back as a whole. This means it's a wide-spread problem — not the issue of one stock in particular. And that means, eventually, there will be a recovery.

That's why it's a great time to look for dividend stocks to buy on the dip. You can get a quick rebound when the stock market recovers. Meanwhile, you'll have locked in a solid dividend. Better still, many companies continue to boost their dividends after a pandemic stoppage. So, here are three dividend stocks I'd buy right now on the dip.

### TD stock

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is one of the dividend stocks [raising](#) its dividend and its payout right now. TD stock will increase its dividend by 13% and its payout by 25% after its recent earnings. TD stock rebounded at the news after its earnings report, beating estimates in the process. However, shares have come down since the excitement.

TD stock now trades at 12.3 times earnings. Shares reached 52-week highs, up 38% year to date, before dropping back just a bit by 2% as of writing. It's clear TD stock will soon be heading towards \$100 per share, and that means it's a time to jump on the stock. Among dividend stocks, it has a solid growth strategy both in the United States and online, along with credit card partnerships to keep funds coming. It's the top growth stock among banks and could soon be one of the top dividend stocks with higher yields on the way.

You can pick up TD stock at \$95 as of writing with a yield of 3.27%.

## Cenovus

Another of the top dividend stocks to consider is **Cenovus Energy** ([TSX:CVE](#))([NYSE:CVE](#)). Cenovus stock became a major hitter after acquiring Husky, becoming the third-largest energy producer. Yet it continues to be a steal and is likely to be one of the energy stocks to watch, especially with a crazy dividend increase.

Cenovus stock is among the oil and gas companies finally boosting dividends. [Recently](#), it became yet another of the oil and gas stocks to double its dividend and increase its payout by 10%. Meanwhile, its growth path through Husky and selling \$660 million in assets to pay down debt. Yet it's a bargain trading at 7.38 EV/EBITDA. Shares are down about 6% since 52-week highs, making it a solid time to jump in.

Shares of Cenovus stock trade at about \$15.75 as of writing with a yield of 0.92%.

## CP Rail

Finally, dividend stocks with a yield of 0.86% don't look all that impressive. But I wouldn't include that with **Canadian Pacific Railway** ([TSX:CP](#))([NYSE:CP](#)). CP stock is a solid growth company that could see its dividend [growth](#) by leaps and bounds in the near future thanks to its acquisition of **Kansas City Southern**.

Yet CP stock came down by about 10% from supply chain disruptions and labour shortages. But given its growth path as the largest rail line in North America, these are short-term problems to which CP stock is the solution. That makes today's share price trading at 19.68 times earnings and 13.27 EV/EBITDA ratio a steal among dividend stocks.

Shares of CP stock trade at \$91.50 as of writing, with a yield of \$0.86%.

## Bottom line

The stock market may be down, but never count it out. That goes for these three dividend stocks that are solid long-term buys. Each is in an industry that will be around for decades or more to come. And each is on a strong path to growth within their burgeoning industry, with dividend boosts to boot, all while trading below 52-week highs.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:CP (Canadian Pacific Railway)
2. NYSE:CVE (Cenovus Energy Inc.)
3. NYSE:TD (The Toronto-Dominion Bank)

4. TSX:CP (Canadian Pacific Railway)
5. TSX:CVE (Cenovus Energy Inc.)
6. TSX:TD (The Toronto-Dominion Bank)

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1. alegatewolf
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#### **Author**

alegatewolf

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