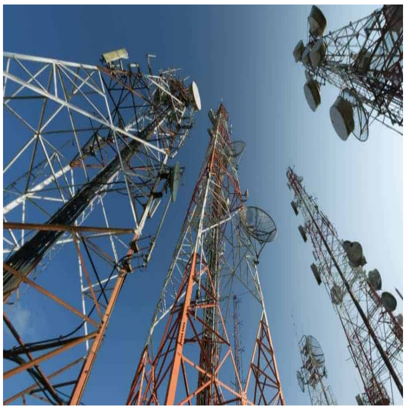

1 Top Dividend Stock Pick to Buy in 2022

Description

There are many great dividend stocks to buy and hold through what's looking like a turbulent rate-hike-filled year. Undoubtedly, Jamie Dimon, one of the brightest minds on Wall Street, sees more than just a trio of rate hikes this year from the U.S. Federal Reserve. Indeed, four rate hikes may be on the lower end of his estimates, given his incredibly robust expectations for the U.S. economy this year.

Get ready for the Fed to tighten

There's no question that higher rates do not bode well for certain types of stocks, most notably the high-multiple growth names with zero profits. Indeed, such names did incredibly well in 2020, but are now at the cusp of giving up all such gains. Some names have already surrendered all of their 2020 gains. Should rates rise at a fast rate than the market is currently expecting, more growth-to-value rotations could strike, and investors should be ready for more of the same: tech under pressure as value and dividend stocks surge higher.

Dividend stocks could be great buys in 2022!

Personally, I like high-yield dividend stocks at attractive multiples at this juncture. Although many sold-off growth names down 50%, 60%, and even over 70% are ever so tempting. Despite the magnitude of such selloffs, it's still hard to gauge how much more downside could be in the cards if the Fed hikes rates four or even five times over the next year! Indeed, sticking with Warren Buffett's "buy what you know" strategy could pay off big time. To take it a step further, I'd argue buying what you can value could keep you out of trouble in a market that's been unforgiving to those who've chased hot stocks way too late in the game.

Dividend stocks aren't sexy, but with rates poised to rise alongside a potentially stronger economy, dividend stocks are a great place to find risk-adjusted returns. Without further ado, consider the following top passive-income stocks at the intersection between yield and value.

Quebecor

Quebecor (TSX:QBR.B) has done virtually nothing for around three years now. The Quebec-based telecom firm behind Vidéotron, a popular telecom service in the province of Quebec, may be stuck in a rut, with doubters who question its Canadian expansion. That said, I believe that the narrative has changed for the better, as the firm moves beyond Quebec. Canada needs to get up to speed with the next generation of telecom tech. And a fourth major wireless player could be the solution. It won't be cheap or without risk, but I think Quebecor has an incredible management team that can grow the firm to become a fourth major threat in the Canadian telecom scene.

For now, Quebecor is a Quebec-centric telecom, with room to run in its 5G rollout. With some of the best ROIC numbers in the sector, I'd look to load up on the name at $30 and change per share. The 3.7% dividend yield is magnificent. For 13.1 times trailing earnings, I'd argue that Quebecor is a steal of a dividend stock.

I have no idea when QBR.B stock will breakout. And I'll admit I'm not a huge fan of the dual-class share structure. That said, there's no denying the value to be had, and as someone wise once said, the longer the base, the higher in space.

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