



4 Top Dividend Stocks to Buy Under \$30

Description

With the U.S. Federal Reserve signalling to raise its policy interest rate from March, the volatility in the global equity markets has increased. So, in this uncertain environment, investors can strengthen their portfolios by investing in the following four [dividend stocks](#), which they can buy for under \$30.

Telus

With the growing digitization trend, telecommunication companies offer excellent growth opportunities. So, I have picked **TELUS** ([TSX:T](#))([NYSE:TU](#)), one of Canada's three top telecommunication players, as my first pick. The company has accelerated its PureFibre network and 5G service buildout to connect more people and businesses, with its 5G service covering over 64% of the Canadian population. These investments could boost the company's financials in the coming quarters. Also, its new segments, TELUS International and TELUS Health, are witnessing strong growth amid both organic growth and acquisitions.

Meanwhile, Telus currently pays a quarterly dividend of \$0.3274, with its forward yield standing at 4.48%. Amid the expectation of robust cash flows and a solid financial position, the management expects to increase its dividends by 7%-10% in the near term. So, [Telus could be an excellent addition to your portfolio in this volatile environment.](#)

Altagas

AltaGas ([TSX:ALA](#)) operates a highly regulated mid-stream energy business and low-risk utility assets, delivering stable cash flows. These solid cash flows have helped the company pay monthly dividends at a healthy yield. Meanwhile, last month, the company announced a move to quarterly dividends and raised its dividends by 6%, to \$1.06 per annum, with its forward yield standing at 4.14%.

AltaGas's management expects to grow its [rate base at 8%-10% CAGR](#) in the utility segment through 2026. In the mid-stream segment, the management expects a normalized EBITDA growth amid optimization, brownfield expansions, and its growth initiatives across the value chain. Supported by

these growth initiatives, the management expects to increase its dividends at a 5%-7% CAGR through 2026. So, AltaGas could be an excellent bet for income-seeking investors.

Algonquin Power & Utilities

My third pick is **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)), which has been raising its dividends at a CAGR of over 10% in the last 11 years. With over \$16 billion of assets, the company serves around 1 million customers across North America while operating regulated renewable power-producing facilities. These low-risk and regulated assets generate predictable cash flows, which have helped the company raise its dividends consistently. Currently, its forward yield stands at an attractive 4.94%.

Meanwhile, Algonquin Power & Utilities has a strong pipeline of projects and expects to invest around \$12.4 billion through 2026. Along with these initiatives, its continued acquisitions could boost its financials in the coming years. Meanwhile, the management expects its adjusted EPS to grow at a 7%-9% CAGR over the next five years. Despite its healthy growth prospects, the company trades at an attractive price-to-earnings multiple of 14.5.

NorthWest Healthcare Properties

With a forward dividend yield of 6%, **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)) is my final pick. It operates 192 properties spread across seven countries. Given its highly defensive and diversified portfolio and long-term contracts, the company enjoys high occupancy and collection rate, thus generating stable cash flows. These solid cash flows have allowed the company to pay dividends at a healthy yield.

Meanwhile, the company is focusing on expanding its assets base in Australia, Europe, and the U.S. It has around \$1 billion of projects in the pipeline while also working on closing a few acquisitions. These initiatives could boost NorthWest Healthcare's cash flows, thus allowing it to continue paying solid dividends.

CATEGORY

1. Energy Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:TU (TELUS)
3. TSX:ALA (AltaGas Ltd.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
6. TSX:T (TELUS)

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