



Market Correction: The 3 Best Dividend Stocks to Buy in February 2022

Description

A market correction is happening. Various factors can make this year's stock market choppy and hard to trade. This week on *BNN*, David Baskin, president of Baskin Wealth Management, mentioned uncertainties about the Fed, Russia/Ukraine, and COVID.

Now doesn't seem like it's the best time to take big bites in stocks. However, the [market correction](#) does give an opportunity for long-term investors to ease into quality dividend stocks to receive nice income while waiting for price appreciation. Here are three of the best dividend stocks to consider building a position in in February 2022.

Canadian Apartment Properties REIT

Canadian Apartment Properties REIT ([TSX:CAR.UN](#)), or CAPREIT, is at the top of the list when it comes to quality residential real estate investment trusts (REITs). The dividend stock is starting to look attractive. It has corrected about 15% from its 52-week and all-time high. And it is one of Mr. Baskin's top picks this week.

"It's a steady-eddy and the biggest landlord in Canada with 97-98% occupancy. They had some fall-off during Covid, but they are back to fully rented. There's a general shortage of housing. Don't expect spectacular returns, but good, rising dividends as the value of the properties also rises. A solid defensive stock."

David Baskin

The quality Canadian Dividend Aristocrat has raised its dividend for 10 consecutive years. Being the defensive name it is, CAPREIT should give stockholders a peace of mind and decent total returns while paying a solid monthly cash distribution in the long run. According to *Yahoo Finance*, 14 analysts have a 12-month average price target of \$68.47, which represents near-term upside potential of approximately 28%.

Restaurant Brands International

Restaurant Brands International ([TSX:QSR](#))([NYSE:QSR](#)) has corrected approximately 20% from its 52-week high. This month, Greg Newman, senior wealth advisor and portfolio manager at Scotia Wealth Management, commented that the dividend stock has been disappointing due to wage inflation, Tim Hortons and Burger King issues, COVID, and indebtedness.

“The bull case is the acquisition of Firehouse Subs with the chance to grow globally. Its other brands can grow internationally with menu innovation and signage. The stock trades at an anemic valuation for growth rate. It pays a nice dividend... Buy under \$70. The stock will probably double in the next five years.”

Greg Newman

The dividend stock yields 3.9% at writing. Across 26 analysts, the consensus 12-month price target suggests roughly 29% upside potential over the near term.

Brookfield Renewable

There could be a tailwind for decades for renewable energy stocks, as we steadily transition away from fossil fuel. **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)) is a reliable name in the renewable energy space.

This week, Ryan Bushell, president and portfolio manager at Newhaven Asset Management, just picked Brookfield Renewable as one of his top stock picks.

“Last year was great, now stock’s weak. Long-term, you’d be happy to own it. **Brookfield Asset Management** gives them access to capital and geographic sourcing. Acquisition just this morning. Assets are Canadian hydro-electric, which are dependable and long-term. Good entry point for a great company with a global reach.”

Ryan Bushell

Brookfield Renewable is also a Canadian Dividend Aristocrat that has increased its dividend for 12 consecutive years. It currently pays a cash distribution that yields 3.8%. And management is committed to increasing the cash distribution by 5-9% per year. Across 11 analysts, the consensus 12-month price target suggests about 28% upside potential over the near term.

To be clear, there’s no need to rush out to buy stocks in today’s choppy market. However, if you have lots of cash sitting on the sidelines, you can consider putting some of it to work in these best [dividend stocks](#) on dips.

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2. NYSE:QSR (Restaurant Brands International Inc.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
5. TSX:QSR (Restaurant Brands International Inc.)

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