



## Stocks for Beginners: The 2 Best TSX Dividend Stocks to Buy Now

### Description

There are thousands of stocks to choose to invest in on the stock market. Similar to shopping at the grocery, you're going to look for stocks on sale. What's different is that when you buy dividend stocks on sale, you get paid more in dividend income!

Now is the best time as any to buy dividend stocks on sale. In any market, there are always some stocks that are trading at discounts. [If you're just starting investing](#), I've got just the best **TSX** dividend stocks for your consideration!

### One of the best TSX dividend stocks to buy now

**Manulife** ([TSX:MFC](#))([NYSE:MFC](#)) stock is cheap. The expectation for the dividend stock is so low that it's almost a no-lose investment for long-term investors. At \$26.23 per share, the life and health insurance company trades at 8.1 times the trailing-12-month earnings. On a forward basis, it's trading at an even cheaper valuation! Analysts are forecasting earnings-per-share (EPS) growth of 9% per year over the next few years. It also pays a safe and juicy dividend yield of 5%!

Don't just take my word for it. Here are Chris Blumas's thoughts on Manulife this month:

"There's more value right now in lifecos than in banking. Manulife and **Sun Life** are both good. MFC is repositioning itself and releasing excess capital. Fundamentally, it's undervalued — it trades at eight times normalized earnings. You could buy and hold for the long term."

*Chris Blumas, vice president and portfolio manager at GlobalInvest Capital Management*

Because Manulife is cheap and pays a good dividend, it's a good buy-and-hold TSX dividend stock for market-beating returns over the next five years.

## Another TSX dividend stock for a juicy yield

**Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) is another TSX dividend stock that is also set up for satisfying returns for the long haul. The utility earnings predictable earnings or cash flows from its diversified portfolio of regulated utilities and renewable power portfolio. The dividend stock has corrected since 2021 after rallying hard from the pandemic stock market bottom in 2020. Currently, AQN stock yields 4.9%. Growing dividends and price appreciation can ensue as Algonquin continues to expand its rate base.

“We really, really like it. Its growth profile and valuation are attractive. The dividend stock has sold off lately. The threat of rising rates hit utilities hard. There are lots of value in today’s market. It almost made today’s Top Picks list.”

*Chris Blumas*

Ryan Bushell commented on AQN stock last month:

“It has been a rough year for all power producers, especially renewables. Actually, AQN performed okay in relation to peers. Utility assets are looking relatively attractive again. They might shine again in 2022-23 if you’re looking for defense and a potentially challenging year. If the market rips ahead, these will lag, but he likes the 5-ish% dividend. Long term for him.”

*Ryan Bushell, president and portfolio manager at Newhaven Asset Management*

## The Foolish beginner investor takeaway

TSX dividend stocks are a great place to start investing for new investors. Both Manulife and Algonquin stocks provide juicy dividend income that can help you hold through the ups and downs of the stock market volatility. As Canadian Dividend Aristocrats that have a track record of raising their dividends, they’re likely to continue increasing their payouts.

Right now, they already offer yields of about 5%. Long-term investors can expect their dividends to grow at least 5% per year over the next five years. So, we’re looking at a yield on cost of about 6.4% in five years.

### CATEGORY

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### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:MFC (Manulife Financial Corporation)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
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kayng

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