3 Top Dividend Stocks I'd Buy Right Now

Description

If you're looking for quality dividend stocks to buy right now, you're in luck. Markets have been turbulent lately, and there are many high yields around. Energy stocks have been soaring, but other value sectors have given up the big gains they delivered earlier in the year. Banks, shipping companies, and other value plays have higher yields now than they did a few weeks ago. Many energy companies do too, despite the gains, because they have been raising their payouts. In this article, I will explore three quality dividend stocks I would buy right now.

TD Bank

Toronto-Dominion Bank (TSX:TD)(NYSE:TD) is Canada's biggest bank by assets and second biggest by market cap. I'm putting my money where my mouth is with this one, because I own the stock myself.

TD Bank has historically been one of Canada's fastest-growing banks due to its vast and growing U.S. retail business. Said business will get a boost later this year, when the **First Horizons** deal closes. Earlier this year, TD announced that it would be buying out First Horizons, a regional bank in the U.S. southeast. The deal will make TD the sixth-biggest bank in the United States and will immediately add to its earnings.

To be perfectly honest, I do not expect TD's upcoming quarterly release to be great. The U.S. banks all delivered negative earnings growth in their most recent quarters, and TD has a lot of U.S. exposure. The U.S. just recently posted -1.4% GDP growth for Q1; another quarter like that, and we'll be in a recession. This mix of characteristics doesn't bode well for banks, but in the short run, TD should do well as long as the economy normalizes.

Suncor Energy

Suncor Energy (TSX:SU)(NYSE:SU) is a Canadian energy company that extracts, refines, and sells petroleum products. It is best known for its Petro-Canada gas stations, where it sells gasoline directly to the Canadian consumer. It also exports some crude oil products to the United States. Suncor's most recent quarter saw huge growth:

- $3.144 billion in adjusted funds flow, up 157%
- $1.55 billion in net income, up from a loss

These results were delivered in the fourth quarter, when crude oil was only $70 on average. In the first quarter, it was closer to $100. So, most likely, this upcoming quarterly release will deliver even better numbers than the last one did. The possibility of a post-earnings rally can't be counted out.

CN Railway

Last but not least, we have **Canadian National Railway** (TSX:CNR)(NYSE:CNI). This is a Canadian shipping company that transports over $250 billion worth of goods each and every single year.

Rail stocks have been taking a bit of a hit lately due to rising fuel prices. Like other transportation companies, fuel is a huge cost for them, and their earnings take a hit when the cost rise too much. On the flipside, rail companies are heavily involved in transporting crude oil, so they can benefit from strength in demand for crude. It's a mixed picture.

On the whole, CN Railway is a company with an enviable competitive position, whose stock will probably do well over the long haul.

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