2 of the Best Canadian Dividend Stocks to Buy After the Recent Correction

Description

In economic environments such as the one that we're currently in, where interest rates are rising rapidly and the potential for a recession is growing by the day, cash is king.

First off, as interest rates rise, cash becomes more valuable. In addition, the more cash you have, the more opportunity you have to buy stocks undervalued. That's why some of the best stocks that Canadian investors can buy in this correction are dividend stocks.

When the entire market is selling off, naturally, there are plenty of stocks that offer investors attractive value. In addition, when dividend stocks sell off, their yield also increases.

Therefore, you can buy these stocks while they offer tonnes of value and immediately begin to receive attractive passive income.

If you're looking for Canadian dividend stocks to buy now, here are two of the best that only continue to get more attractive as the correction worsens.

A high-quality, dividend-growth stock offering an attractive yield

One of the best Canadian stocks you can buy after the recent correction is **Algonquin Power and Utilities** (TSX:AQN)(NYSE:AQN).

Algonquin is a high-quality and reliable business with several reasons why it's worth an investment. First off, it's a utility stock that's highly defensive. This makes it one of the best stocks you can buy for the current environment.

In addition, though, it's also a green energy generator. Green energy is an industry that's also highly defensive. However, it's also an industry that offers significant long-term growth potential.

So, Algonquin offers an attractive mix of high-quality and reliable operations today, with tonnes of long-term growth potential over the coming decades.

In addition, it offers an impressive dividend yield of 5.2% and should continue to grow that dividend at a compounded annual growth rate of at least 5% per year in the near term.

If you're looking to take advantage of the correction and want to buy some of the best Canadian dividend stocks, Algonquin is one of the best you can consider today.

One of the top real estate stocks to buy while it's undervalued during the correction

Many real estate stocks have fallen in price significantly in the recent correction. And while there may be plenty of REITs looking cheap these days, **H&R REIT** (TSX:HR.UN) has got to be one of the best to buy now.

H&R REIT has been repositioning its portfolio in recent quarters, focusing more on the high-potential subsectors of residential and industrial real estate.

It's putting the stock in a much better position, both as a dividend stock earning cash flow today and its potential to grow investors' value over the coming years.

In particular, what's so attractive about H&R is that many of its assets are located south of the border, offering more diversification than many of its peers but also more potential to grow its revenue.

During its recent earnings report, it just increased its distribution. And now, after the correction the last few days, it's one of the most attractive dividend stocks to buy, offering a yield of roughly 4.25%.

If you've been looking to increase your passive income, as the market environment worsens, H&R REIT is one of the best dividend stocks you can buy now.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:HR.UN (H&R Real Estate Investment Trust)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

8. Yahoo CA

PP NOTIFY USER

1. danieldacosta
2. kduncombe

Category

1. Investing

Date
2025/08/16
Date Created
2022/06/14
Author
danieldacosta