



Everything Is Down Now, But I'd Still Buy These 2 Stocks

Description

Canada's primary stock market finished below 20,000 again mid-week for the third time this month. The most significant drop happened on June 13, 2022, when all the 11 primary sectors closed in the red. Sky-high inflation continues to spook investors, and it's causing instability.

However, the **TSX's** erratic behaviour isn't a reason to stay away from the market. If you have the appetite to invest, two [blue-chip stocks](#) could prove resilient. I'd still buy **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) and **TELUS** ([TSX:T](#))([NYSE:TU](#)), notwithstanding the uncertainties.

The big bank stock and the 5G stock will not disappoint, especially if you're an income investor. Their dividend payments should remain rock steady, even if there's a pullback in share prices. Both stocks were not spared from the COVID-induced selloff in 2020, but have rebounded remarkably.

Future growth opportunities

TD is value for money at less than \$100. The current share price is \$89.16, while the dividend yield is 3.99%. It doesn't matter if Canada's second-largest bank didn't raise the dividend like its industry peers following the earnings releases for Q2 fiscal 2022. The hike will come in due time.

Meanwhile, exciting things are ahead for TD, because of future growth opportunities. This \$160.83 billion bank will become the sixth-largest bank in the U.S. after it completes the purchase of a Memphis-based premier regional bank. The all-cash transaction is worth US\$13.4 billion.

Bharat Masrani, TD Group's president and CEO, said, "First Horizon is a great bank and a terrific strategic fit for TD. It provides TD with immediate presence and scale in highly attractive adjacent markets in the U.S. with significant opportunity for future growth across the Southeast."

In Q2 fiscal 2022 (quarter ended April 30, 2022), TD's retail segment in the U.S. reported a 12% increase in revenue versus Q2 fiscal 2021. Its total net income for the quarter increased 3.1% yearover year to \$3.81 billion. Masrani said, "We have delivered strong revenue growth across our businesses."

Masrani added, "We enter the second half of the year well-positioned to support households and businesses as they navigate an evolving economic environment." In 49.54 years, TD's total return is 40,198.14% (12.87% CAGR).

Essential products and services

TELUS is as reliable as TD when it comes to dividend payments. The \$40.54 billion company provides essential telecommunications and information technology products and services. It's also the second-largest telco in Canada. If you invest today, the share price is \$29.36, while the dividend yield is 4.62%.

In late May 2022, management announced plans to invest \$11 billion in network infrastructure, operations, and spectrum across Quebec over the next four years. It added that overall investments across Canada would reach \$70 billion through 2026. TELUS's joint investment with the provincial and federal governments should connect all premises to high-speed Internet by September 2022.

Darren Entwistle, TELUS's president and CEO, said, "This generational \$11 billion investment in Quebec is a true demonstration of TELUS' long-standing commitment to improving the lives of Canadians." Notably, the investment in Quebec will generate 7,000 new jobs between now and 2026.

Must buys

TD is a compelling investment for its 165-year dividend track record. TELUS is Dividend Aristocrat which has raised its dividend for 18 consecutive years.

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3. TSX:T (TELUS)
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