3 Dividend Stocks I'm Holding Through July

Description

So far, 2022 has been a great year for dividend investors. Oil stocks have risen in value, while other value sectors like utilities have outperformed the S&P 500. More importantly, dividend yields have risen. If dividend income is your sole investment goal, then a bear market is an opportunity to boost your yield. There are three dividend stocks I have bought, and will be holding all through July. Let me tell you why.

Micron Technology

Micron Technology (NYSE:MU)(NASDAQ:MU) is one of the more recent additions to my portfolio. It's a technology stock in the semiconductor industry. I bought it after I read about investors like Li Lu and Mohnish Pabrai investing in it. I'm slightly underwater on this one so far, but I'm optimistic about the long term potential. RAM is a vital component of the world's tech infrastructure, and there are only three major suppliers of it worldwide. This suggests to me that RAM companies should earn satisfactory profits over the long-term.

Micron's most recent quarter was mixed. It beat on earnings, with $2.59 in earnings-per-share (EPS), but missed on revenue. The guidance was really bad, indicating a year-over-year decline in earnings for the upcoming quarter. Because of the poor guidance, Micron started selling off after earnings. However, it began climbing later, when other semi stocks put out strong earnings. MU has been doing well the last few weeks, but it is still cheap enough to offer a 0.75% dividend yield.

TD Bank

The **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD) is a Canadian bank stock with a 4.5% dividend yield. TD stock did very well in 2021, but began to falter in 2022. This year, the yield curve inverted, and many banks reported lower earnings than last year. TD bucked the trend, as it eked out slightly positive earnings growth in its most recent quarter. However, the growth was underwhelming, coming in at only 4%. Overall, the release wasn't great, but it was very good compared to what other banks reported in the same period.

iShares S&P/TSX 60 Index Fund

Moving from stocks to ETFs, we have the **iShares S&P/TSX 60 Index Fund** (TSX:XIU). This is a Canadian ETF that I have held for several years now. It yields about 2.4%, and is beating the S&P 500 this year. The Canadian markets are heavily weighted in oil stocks, and oil is just about the only sector that's doing well in 2022.

It could do well for the remainder of the year, too. The oil and gas sector is being buoyed by a supply shortage that's keeping prices high. Perhaps we won't see prices go back to $120, but they should stay high enough for decent earnings to be likely. And, oil is far from the only sector in Canada. The country has many great utilities, telcos, and tech stocks, too, and those should help the index in the long run.

Why advocate XIU over any randomly chosen TSX fund? There are several reasons.

First, it has a relatively low fee of 0.16%, which means that you aren't paying too much of your net worth to managers when you invest in it.

Second, it's the most liquid ETF in Canada, which lends itself to favourable trading execution.

Third, it's offered by **BlackRock**, a reputable ETF provider that has stood the test of time.

When you consider these three factors, you can see that there are many reasons to spend some time researching XIU. It may or may not be the right investment for you, personally, but I believe in it enough to hold it long-term.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NASDAQ:MU (Micron Technology, Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:TD (The Toronto-Dominion Bank)
4. TSX:XIU (iShares S&P/TSX 60 Index ETF)

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. agraff
2. andrewbutton

Category

1. Dividend Stocks
2. Investing

Date
2025/08/21
Date Created
2022/07/26
Author
andrewbutton