



## If I'd Invested in Telus Stock at the Start of 2022, Here's What I'd Have Now!

### Description

**Telus** ([TSX:T](#))([NYSE:TU](#)) stock is a wonderful dividend superstar for almost any type of market environment. In good times, secular tailwinds (think the 5G rollout) are felt in full force. And the stock is more than capable of delivering decent capital gains alongside generous dividend hikes. In tougher times, Telus tends to be far better at taking a shot to the chin.

While the telecom industry is not immune to pain in an economic recession or slowdown, Telus is a firm that's more than capable of making strides over its peers as the tides go out. Telus has touted a "growthier" multiple for many years. Just because bill delinquencies stand to rise across the board does not mean Telus should be tossed aside along with its peers.

Recently, Telus clocked in a decent second quarter that was a tad soft compared to its peers in the wireless segment. Despite falling shy on wireless growth versus its rivals, I have previously noted that a single quarter does not mark the start of a trend. Further, Telus is in a great spot to take share away from its peers, as it continues to move forward with its long-term growth plan.

## Telus stock is down year to date, but not as much as the TSX

Telus stock is under considerable pressure, down 7.83% since the start of 2022 (at writing). Yet it's worth noting that the telecom titan has outperformed the TSX Index (down around 17% from its high) while continuing to pay investors a fat dividend (currently yielding 4.94%).

If you invested \$1,000 in Telus stock at the start of the year, you'd have just north of \$920, dividends excluded.

## Is Telus stock still a buy?

Despite the negative momentum and relatively soft Q2 wireless numbers, I remain a raging bull on shares of T. The dividend is undoubtedly the main attraction. At nearly 5%, the yield is close to the highest it's been in years.

The payout will inevitably be stretched (currently at 97.5%) as the Canadian economy sinks into recession. But I'd argue that much of the damage has already been baked in. At the end of the day, Telus boasts one of the best wireless networks in the country. It's not just a solid network, it's incredibly reliable. This reliability makes it a top candidate to take share from rivals who suffer widespread outages.

## Telus stock as an inflation fighter

Further, with inflation lingering at around 7%, the battle to preserve one's wealth has taken it to the next level. Amid the [bear market plunge](#), many cautious investors are telling themselves that it's better to stomach a 7% loss of purchasing power with cash than run the risk of a further 20–30% drop in equities.

Still, with a modest 20.5 times trailing price-to-earnings (P/E) multiple and a history of keeping its payout intact through harsh economic climates, I'd argue that Telus stock is likely to come out head and shoulders ahead of cash (or bonds) over the next three to five years.

Indeed, short-term investors rattled by volatility should seek to diversify into risk-free assets. However, long-term thinkers should look to Telus' juicy payout as a compelling weapon that can help your [portfolio](#) fight off inflation.

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joefrenette

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