2 of the Best Dividend Stocks to Buy Before They Rebound

Description

Dividend stocks are some of the best buys you can make during this downturn. The **TSX** today remains down by about 8% year-to-date. The drop is even steeper if you look at 52-week highs, in which case, the TSX is still down by about 12%.

That means there are still some deals to be had out there. That's especially true if you're looking at long-term options among dividend stocks. In this case, I would certainly say now is the time to pick them up.

Why? Because you don't want to try and time a market bottom. You're almost guaranteed to miss it. Plus, the returns you *may* have made will be lost out to all of the passive income you *will* be making. You definitely don't want to miss out on this opportunity and should consider buying up these dividend stocks before they rebound any further.

CIBC

One of the best buys out there right now is **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM). CIBC is a top dividend stock for a number of reasons. First of all, it's cheap! After a stock split earlier this year, you can pick up CIBC stock for just $61.75 as of this writing. That's *half* of what you would have paid before, and about half of what you'll pay for other bank stocks.

And that's the key here. It's also a Big Six Bank, so it has provisions for loan losses during uncertain times like the one we're in, meaning that CIBC stock remains intact and strong. It's able to continue producing its dividend, and indeed expand its operations. It has successfully optimized its customer service offerings, which have vastly improved over the last few years.

Yet again, CIBC stock is one of the cheapest dividend stocks in terms of fundamentals, with one of the best yields. It currently trades at just 8.88 times earnings, with a dividend yield of 5.37%. That comes out to $3.32 per share annually. And with shares down 13% year-to-date, I'd grab this deal before it's gone.

Granite REIT

Another place you can look for top dividend stocks is real estate. But unless you've been hidden in the depths of the jungle, you're likely aware that we're currently going through high interest rates, a poor residential market, and a horrible retail crisis. Because of this, you'll need to be extra careful when choosing real estate investment trusts (REIT).

That's why I like **Granite REIT** (TSX:GRT.UN). Granite is a solid option among dividend stocks. It invests in industrial properties to ship, store, and assemble products. This REIT offers long lease agreements with little upkeep required. And it's been expanding rapidly, buying up more properties as prices come down, even amidst higher interest rates.

Granite stock is also cheap among dividend stocks. It trades at just 4.2 times earnings as of this writing, with just 48.12% of its equity needed to cover all of its debts. So, you can lock in the 4.4% dividend yield right now and look forward to $3.10 per share on an annual basis, dished out every month!

CATEGORY

1. Bank Stocks
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TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. TSX:CM (Canadian Imperial Bank of Commerce)
3. TSX:GRT.UN (Granite Real Estate Investment Trust)

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