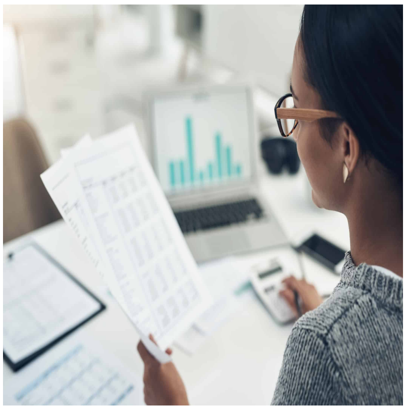

3 No-Brainer Canadian Stocks to Buy in November 2022

Description

Canadian stocks have enjoyed a solid rally in November. However, it is uncertain whether this rebound will be sustained. If your investment horizon is years or even decades, there are still some bargains to be found. Here's three no-brainer, safe Canadian utility stocks to buy in November.

An ultra-safe Canadian utility stock to buy and hold

If you want a defensive stock that will allow you to rest easy at night, you can't find much better than **Fortis** (TSX:FTS). At a price of $53.50 per share, Fortis trades with a market cap of $25.68 billion.

It is a massive, regulated utility provider in North America. The company primarily owns power/gas transmission assets. Given the consistent and essential nature of these services, Fortis produces predictable revenue streams.

In its recent third quarter, adjusted net earnings per share rose 12.5% to $0.71 per share. It also increased its quarterly dividend by 6%. That is its 49th consecutive annual dividend increase — a very impressive record. While the company may be slowing its annual dividend-growth rate to a range of 4-6%, it expects its balance sheet to improve and its dividend to become even more sustainable for the long term.

This Canadian stock has fallen over 12% in 2022. It is offering a 4.23% dividend yield, which is nicely above its average. While it is not "cheap" compared to some other utilities, its valuation is not demanding at today's price.

A utility and midstream stock

If you don't mind a little more risk, but a lot of potential reward, **AltaGas** (TSX:ALA) could be another good utility stock to buy right now. With a price of $23.80, its stock is down 5.6% in the past month and 12.85% this year.

This is a very interesting stock in the current environment. Nearly 60% of its earnings come from several natural gas utilities in the United States. These provide very consistent earnings and have larger-than-average opportunities to grow. The remainder comes from its midstream and energy export business, which, for the most part, has been very strong in recent years.

This Canadian stock had a slightly weaker-than-expected third quarter, and the stock pulled back. Today, it trades with a 4.5% dividend and an attractive forward price-to-earnings ratio of 13. AltaGas is one of the cheapest utilities and midstream businesses you can buy, so it is likely due for a price re-rating over the coming years.

A top Canadian renewable stock

Keeping the theme of utilities, **Northland Power** (TSX:NPI) is another Canadian income stock to look at today. Northland owns both utility and renewable power projects across North America, Central America, and Europe. It has become a leader in offshore wind power development.

So far, it has had a very successful year, given strong energy pricing in Europe and robust power generation. This year, sales, operating income, and earnings per share are up 24%, 60%, and 544%, respectively. Given the energy crisis in Europe, the company is very well positioned to provide many long-term green energy solutions.

Right now, Northland operates three gigawatts of power. It expects to more than triple its generation by the end of the decade. It has plenty of growth ahead. While investors wait, they also collect a nice 3% dividend that is distributed monthly.

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1. Dividend Stocks
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3. TSX:NPI (Northland Power Inc.)

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