2 No-Brainer Stocks to Buy Right Now for Less Than $30

Description

Canadian stocks had a strong start to December 2022, although they have fallen by nearly 6% since. Only three of the **TSX's** 11 primary sectors show positive gains heading into the last two weeks of the calendar year. However, if you're in the market for no-brainer stocks right now, you can buy **TELUS** (TSX:T) and **AltaGas Limited** (TSX:ALA) for less than $30.

Don't mind their year-to-date losses because they're not deal busters. The underperformance reflects the pressure of elevated inflation on stocks. Even if a recession is inevitable in 2023, the respective businesses will carry on and endure an economic slowdown.

Leading growth

Doug French, TELUS' Executive Vice-President and CFO, said, "As we progress through the final quarter of the year and into 2023, our team remains highly confident of our growth trajectory and long-term strategic plan to further advance our leading growth profile."

In Q3 2022, net income increased 53.9% to $551 million versus Q3 2021. The 8.4% year-over-year growth of Mobile & Fixed customers to 347,000 was also the strongest in a quarter. Notably, free cash flow (FCF) climbed 63% to $331 million compared to the same quarter last year.

TELUS President and CEO Darren Entwistle said, "Our results are backed by our highly differentiated and powerful asset mix geared towards high-growth, technology-oriented verticals." Besides the core telecommunications business, the $38 billion company has branched into technology, agriculture, and healthcare.

Given the diversified income sources, TELUS' recurring revenue business model has vastly improved. The 5G stock further rewarded investors with a 7.2% increase in the quarterly dividend. At $26.76 per share (-6.06% year to date), the dividend yield is a mouth-watering 5.27%.

Resilient, durable value

AltaGas takes pride in its diversified, lower-risk, high-growth businesses (Utilities and Midstream). Management's primary focus is to execute its long-term corporate strategy by building a diversified platform. The goal of this $6.4 billion infrastructure company is for its long-life energy infrastructure assets to provide resilient and durable value for stakeholders.

In the nine months that ended September 30, 2022, total revenue increased 37% to $10.2 billion versus the same period in 2021. However, net income declined 10.6% year over year to $345 million. Still, AltaGas announced a 6% dividend hike at the end of Q3 2022.

AltaGas plans a self-funded capital program of approximately $930 million in 2023, not including the rollover of a $90 million approved capital investment for the Midstream business. Management maintains a positive outlook, with the utility segment expected to deliver above-average growth. The midstream segment should see further growth with the rising demand for natural gas.

If you invest today, the share price is $22.83 (-13%), while the dividend yield is a juicy 4.94%. According to management, the forward plan is to deliver regular, sustainable, and annual dividend increases that compound in the years ahead.

Strong dividends

TELUS and AltaGas are defensive stocks because the businesses will hold up regardless of the economic environment. The former's subscriber base is ever-growing while it diversifies. Meanwhile, the latter's core business segments have excellent growth prospects. They have consistently rewarded investors with safe and healthy dividends.

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