



## 1 Oversold Dividend Stock (Yielding 5.37%) to Buy in January 2023

### Description

If you're seeking out a cheap stock, a great option is to check out oversold companies. What you can find are companies trading well below fair value, with investors dumping them in bulk. But this can lead to a serious opportunity, especially for companies that have a stellar track record.

Today, I'm covering one dividend stock that analysts believe is already set up for strong growth. What's more, it's invested in a number of growth opportunities for investors to sink their teeth into. So let's get right to it.

### TELUS

**TELUS** ([TSX:T](#)) has been around for quite some time of course, but the dividend stock really entered the spotlight over the last few years. Growth came from its fixed-line network, which provided incredibly high internet speeds for its customers. This was a huge investment of course, but its wireline and fibre-to-the-home network has now set the company up for long-term success. In fact, it's already taken a lot of the market share away from many of its competitors.

What's also a benefit is that while the company is a top three telecom business, it's not *the* leading one. Which means the dividend stock certainly still has more room to grow. This looks likely for the future, given that its wireless business continues to strengthen its profile, with continued subscriber growth. In fact, its fibre network has left the company better positioned to transition to 5G, even above its peers.

Beyond its basic wireless and wireline growth, TELUS stock has also opened businesses that continue to be on the rise. This includes in the healthcare, agriculture, security and [tech spaces](#).

### Analyst thoughts

This year was a turning point for TELUS stock, say analysts. The dividend stock came as the company began the [transition to 5G](#), and now in 2023 it should be able to expand the network far faster. It also

means that the major costs are behind it with the wireline network already in place in 85% to 90% of its targeted broadband footprint. So investors can look forward to more subscribers, for less cost.

Long-term, TELUS stock looks like a solid choice, according to analysts. It's seriously transformed its operations in the last few years, re-organizing to "unlock value of core infrastructure assets and core technology assets," one analyst said.

Analysts now give TELUS stock an "outperform" rating for 2023, with a strong track record and accelerating free cash flow expected even in the beginning of 2023, where others have proven weak.

## And it's so cheap!

Here's the best part for investors seeking out TELUS stock for their TFSA. It's so cheap. The company currently trades at 18 times earnings, which isn't in value territory but is quite close. However, the dividend stock's price-to-book ratio of 2.23 *is* in value territory. And as I mentioned in the title, it's near oversold territory!

That's right, TELUS stock currently trades at a relative strength index of 35. This just rose higher after entering oversold territory this week. So this company could already be on the rise for investors seeking a deal before it's gone. Especially with shares still down about 11.5% in the last year alone.

Finally, you get a cheap stock with a stellar future, while also brings in a large 5.37% dividend yield as of writing. All in all, TELUS stock is a strong choice for investors wanting exposure to a cheap, long-term investment that will serve them well for years, if not decades.

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