3 Cheap Stocks Yielding at Least 4%

Description

When investing, it rarely pays to be flashy. You usually don't want to pursue the high-flyer, the one with the cool technology, or the superstar management team. You're much better off trying to find the names that nobody else wants; that way you're more likely to find a bargain.

With that in mind, below are three stocks that are unexciting, have trailed the index, and are unloved by the investing community. Those are exactly the attributes you should be looking for.

1. Canadian Oil Sands

There's very little to like about **Canadian Oil Sands** (TSX: COS). The company is of course subject to the challenges faced by the Canadian energy industry: transportation bottlenecks, regulatory risk, and cost inflation. But unlike most of its peers, Canadian Oil Sands isn't even growing; last year, production actually shrunk by 7%. In fact, its Syncrude project has been plagued by numerous operational problems in recent years, and is far from reaching its full potential.

There is one thing to really like about the company's shares, though: the price. At $23 per share, the stock is actually down from where it was in 2009, back when the economic crisis was just starting to fade. As a result of the stock's cheap price, it has a dividend yield of over 6%. Even better is that this is a dividend the company can actually afford to pay, which separates it from some other high-yielding companies.

2. Fortis

It's hard to find a more boring investment than **Fortis** (TSX: FTS). Canada's largest publicly owned utility has been doing little more than earning steady income and paying a solid dividend, which lately doesn't seem to be enough to satisfy investors. Over the past three years, the stock has only returned 2.8% per year to investors, badly trailing the TSX.

However, Fortis is a company that has churned out 41 straight years of dividend growth, and currently yields 4%. That's not a bad combination.

3. Rogers

Rogers Communications' (TSX: RCI.B)(NYSE: RCI) shares have also lagged as of late, actually posting a negative return over the past year. As a result, its shares are cheaper than those of its peers, at only 14 times earnings. This is a fairly low multiple for a company that generates steady, predictable revenue from subscriptions.

Rogers is poised to score big with its recent purchase of both NHL broadcast rights and numerous spectrum licenses, both of which could pay off handsomely in the long run. In the meantime, the dividend now yields over 4%, so shareholders are well paid while they wait.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:RCI (Rogers Communications Inc.)
2. TSX:FTS (Fortis Inc.)
3. TSX:RCI.B (Rogers Communications Inc.)

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