

3 Cheap Dividend Stocks That Pay up to 6.45%

Description

Although investors are usually identified as being value, growth, or dividend oriented, you don't always have to pick one or the other. In fact, your returns will likely do better if you try to find a stock that could satisfy multiple types of investors, since there will be more reason to invest in it.

Below are three stocks that pay a dividend, are good value for the money, and have many opportunities to grow.

Gamehost Inc. ([TSX:GH](#)) provides investors with a bit of variety when it comes to potential sales growth. Although the stock is primarily involved in gaming, it also brings in sales from its hotel properties and its food and beverage segment. With operations based in Alberta, Gamehost is going to be heavily dependent on a strong oil and gas industry, especially with two locations in Grande Prairie and one in Fort McMurray.

However, with oil prices on the rise, and the oil and gas industry starting to show [signs of life](#), it could be a perfect time to pick up this stock. Gamehost's dividend is just under 6% and can provide investors with a great monthly payout. And with a price-to-earnings (P/E) multiple of just 16.6, and the stock trading at 2.5 times book value, it's a great value buy as well.

First National Financial Corp. ([TSX:FN](#)) has produced flat returns for investors this year, but the lending company could see more opportunity to grow its top line, as interest rates continue to rise. While there will be negative factors, such as more stress tests, that could bring down the number of mortgages we see, rates are still fairly low, and we haven't seen a big impact on the housing market just yet.

Either way, First National is not in any imminent danger. Over the past four quarters, it has generated profits of \$208 million for a strong 42% profit margin, which suggests it is in a good position to handle any adversity that may come its way.

It also pays a monthly dividend, yielding 6.45% every year, and last year the company even issued a [special dividend](#) for its investors. With a P/E ratio of only 8.4, First National is a bargain buy today.

Telus Corporation ([TSX:T](#))([NYSE:TU](#)) is a solid blue-chip stock that has a strong place in the telecom industry and isn't in danger of being disrupted any time soon. Year-to-date returns have been minimal for the stock, but generally Telus doesn't see a lot of volatility, as evidenced by its 52-week range, which spans from a low of just over \$43 to a high of under \$49.

That stability makes Telus a good dividend stock to own, as investors won't be hit with wild swings in share price. Currently, the stock pays a dividend of 4.38%, and the company has a good track record of raising payouts as well, meaning you could be earning a lot more on your initial investment in the years to come.

Its current P/E ratio falls just under 20, and there's still a lot of value left in this stock. It could continue

to inch its share price closer to \$50.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:FN (First National Financial Corporation)
3. TSX:GH (Gamehost)
4. TSX:T (TELUS)

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