



3 Cheap Dividend Stocks to Grab Today

Description

Statistics Canada revealed a disappointing month in April for retail trade. Retail sales fell 1.2% to \$49.5 billion in April with motor vehicle and parts dealers leading the decline. However, results were also concerning for building material and home furnishing stores in what is usually a [busy season](#).

Sales at furniture and home furnishing stores were down 0.9% month-over-month in April and building equipment and garden equipment and supplies dealers saw a 3.3% drop in sales activity. A [slow housing market in 2018](#) may be contributing to the lack of investment in these areas.

With this in mind, today we'll look at three stocks that are still worth a look even after these disappointing numbers. All stocks come in at a good price for investors, who are gearing up for the final legs of 2018. Let's dive in.

Sleep Country Canada Holdings Inc. ([TSX:ZZZ](#))

Sleep Country Canada stock has dropped 8.1% over the past month as of close on July 17. Shares are down 6.4% in 2018 so far. This is after a strong showing in its first-quarter results, which were posted in early May. The company is expected to release its second-quarter results on August 3.

In the first quarter Sleep Country saw revenue rise 8.9% year-over-year to \$135.3 million and adjusted net income increased 2.3% to \$11 million. Sleep Country also opened three new stores in the first quarter and continued to ramp up support of its e-commerce business. The company hiked its quarterly dividend by 12% to \$0.185 per share, representing a 2.1% dividend yield.

Sleep Country raised its store opening guidance for 2018 in the last quarter, and has seen impressive traffic increases on its e-commerce site. There is a good opportunity to buy into this dip for investors seeking capital growth and solid income.

Leon's Furniture Ltd. ([TSX:LNF](#))

Leon's Furniture stock has dropped 1.3% in 2018 so far. Shares have been mostly flat year over year. Leon's is expected to release its second-quarter results in early August.

In the first quarter Leon's saw revenue rise 3.4% year-over-year to \$500.7 million and adjusted net income jumped 35.1% to \$11.5 million. The stock also offers a quarterly dividend of \$0.12 per share, representing a 2.6% dividend yield. Leon's has also seen strong growth in its e-commerce business and is forecasting continued revenue growth for the remainder of 2018.

Richelieu Hardware Ltd. ([TSX:RCH](#))

Richelieu Hardware stock has dropped 9.6% month over month. Shares are down 19.6% in 2018 so far. The company released its second-quarter results on July 5.

Sales climbed 8.3% year-over-year to \$263.4 million, while Richelieu maintained a strong financial position. Both Canada and the United States posted strong sales increases of 10.1% and 9.7%, respectively. Richelieu boasts debt of only \$0.8 million with \$10.2 million in cash and a working capital of \$321.5 million.

The board of directors also approved a dividend of \$0.06 per share, presenting a modest 0.8% dividend yield.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:LNF (Leon's Furniture Limited)
2. TSX:RCH (Richelieu Hardware Ltd.)
3. TSX:ZZZ (Sleep Country Canada)

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