3 Dividend Stocks on Sale Yielding up to 11%

Description

When dividend stocks drop in price, it presents an opportunity for investors to secure a better-than-normal yield, potentially for a limited time. Below are three dividend stocks that have declined in the past month and that dividend investors may want to have a close look at today.

WestJet Airlines (TSX:WJA) has declined more than 5% in the past month, as air travel has gotten some bad press as a result of the recent problems that **Boeing** has run into. WestJet's stock had been off to a good start for the year; year to date, it is still up over 6%, but concerns around air travel are never a good thing, as it could impact demand and the company's sales for the quarter.

Its $0.14 quarterly dividend is now yielding around 2.9% and offers investors a decent payout for a stock that's also trading right around its book value. While I'm not quite sure whether the fallout related to the Boeing scandal has been felt fully on WestJet's stock just yet, it might at least be worth putting the stock on your watch list today.

With the economy still performing well, I'd still expect air travel to be in high demand. The question is just how long the bad press will linger in the minds of consumers.

Canadian Western Bank (TSX:CWB) has also struggled recently with its share price falling by 6% during the same time frame. Despite the company showing some good, modest growth in its recent quarterly earnings, it wasn't enough to keep the stock from falling. However, it's not just the past month that CWB has struggled; in the past 12 months, it has dropped 13% and is also now trading around its book value.

Despite the struggles, you wouldn't know it from the company's dividend as CWB has regularly been increasing payouts in recent years. Currently, it pays investors a dividend of $0.27 every quarter, which equates to a yield of over 3.8% today. In five years, CWB has raised its dividend payments by 35%. And with net revenues up 22% in the past two years, it's a trend that could continue.

Just Energy Group (TSX:JE)(NYSE:JE) has been declining for a long time. Although it has dropped 6% in the past month, over the past three years, it has lost more than 40% of its value. A lack of sales growth combined with inconsistent profits have been a recipe for disaster, as Just Energy has posted a loss in two of its last three quarters.

However, the company still has a profit over the trailing 12 months, and the good news is investors aren’t paying a premium for it, with the stock trading at a price-to-earnings multiple of less than five.

Just Energy has been paying a high dividend for a while now, and the most recent drop in price has the stock yielding as much as 11%. At a yield that high, there’s certainly a lot of risk for investors. And while the dividend may continue, I wouldn’t suggest buying the stock solely for that reason.

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