



## 2 Dirt-Cheap Dividend Stocks That Yield up to 9.2%

### Description

A bear market in oil has produced fertile ground for bargain hunters in the energy sector. Last month, I'd discussed the [dip in energy stocks](#) and why this is a great time to look out for discounts. The average historical bear market in oil has lasted for 60 trading days. With this bear market starting in early June, that gives investors some time to ruminate and decide carefully on when they would like to pull the trigger.

Current market conditions still have me a little nervous, so today I want to focus on stocks that will net investors nice income in the second half of 2019 and beyond. These energy equities boast attractive yields that should have investors drooling in July. Let's jump in!

### Arc Resources

**Arc Resources** ([TSX:ARX](#)) stock has plunged 28% over the past three months as of close on July 5. The big drop came after Arc announced in late June that it would cut its 2019 capital-expenditure plan to \$700 million. This should be music to the ears of income investors, as it demonstrates the company's commitment to keeping its balance sheet strong enough to support its hefty dividend.

Arc stock hit a 52-week low of \$6.08 in trading last week. The stock stood at \$6.49 after close on July 5, so value investors should remain interested. Shares boast a price-to-earnings ratio of 18. Arc stock had an RSI of 38 at the time of this writing. The stock has climbed out of technically oversold territory, but it is still discounted.

Arc stock offers a monthly dividend of \$0.05 per share. This represents a monster 9.2% yield at the time of this writing. Bargain hunters who want income need to have Arc Resources on their radar in July. It is still well worth a pick-up at its current price point.

### Freehold Royalties

**Freehold Royalties** ([TSX:FRU](#)) stock has dropped 3.9% over the past three months as of close on

July 5. This is not quite the steep drop we have seen in other energy equities, but it should be enough to spark some interest in Freehold as a bargain addition. The stock is currently trading at the low end of its 52-week range.

We just talked about Arc Resources shoring up its balance sheet. Hey, if you're looking for a strong balance sheet, look no further than Freehold Royalties. In the first quarter, its funds from operations more than covered its dividend payout. As far as value is concerned, Freehold stock is a worthy target in the single-digit price range, but its RSI has zipped back up to neutral territory.

Freehold is a natural target for income investors, especially when we take its strong balance sheet into account. This is a stock that will keep you paid in the long run. It currently offers a monthly dividend of \$0.0525 per share. This represents a tasty 7.5% yield at the time of this writing.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. TSX:ARX (ARC Resources Ltd.)
2. TSX:FRU (Freehold Royalties Ltd.)

## PARTNER-FEEDS

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