



3 High-Yield Dividend Stocks at Rock-Bottom Prices

Description

The stock market seems like a scary place for investors of all kinds right now. A lot of analysts predict a recession is going to hit the market sooner rather than later. A lot of stocks are underperforming, facing losses left, right, and centre. Investors are doing everything they can to secure a better financial status to help see them through any difficult times ahead.

An uncertain market situation like this also offers investors some fantastic opportunities. It is the ideal time for you to re-visit your portfolio and look for excellent opportunities to pick up strong stocks at a discount. The right stocks can keep you afloat and comfortable through difficult economic times.

High-yield dividend stocks can be an excellent addition to your portfolio to see you through times of economic uncertainty. **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)), **Chemtrade Logistics Income Fund** ([TSX:CHE.UN](#)), and **Canadian Natural Resources** ([TSX:CNQ](#))([NYSE:CNQ](#)) are three options you can consider while the dividend stocks have low prices.

Suncor Energy

Suncor is a giant in the Canadian energy sector with a market capitalization of \$64 billion. The Canadian energy company is known primarily for large oil sands operations. Suncor also operates substantial offshore oil facilities as well as four large refineries with retail divisions. The downstream assets provide a wholesome business structure to Suncor.

When oil prices increase, the margins for Suncor's profits go up due to production. During times when oil prices are low, Suncor's refining business can leverage lower input costs to provide a reliable revenue generation stream. For 17 years running, Suncor has raised [dividends](#), increasing the payout by almost 17% in 2019 alone.

In times of economic uncertainty, the \$39.91 share price for Suncor at the time of writing can be considered a steal for investors. A healthy dividend yield of 4.01%, along with the discounted share price, makes Suncor an excellent option to consider.

Chemtrade Logistics

Chemtrade is one of the highest dividend-paying stocks on the TSX. Chemtrade has been around for 18 years, and the company has a modest market cap of \$978.4 million. The Canada-based chemical industry company has a juicy dividend yield of 11.35%, the highest among the three stocks we will discuss. The question is, will Chemtrade continue to pay through a recession?

An 11.35% dividend yield is quite high, and it would make sense if you think that such a high dividend yield is unsustainable. Chemtrade's CEO disagrees. The latest announcement made by the company noted that Chemtrade does not see any issues with sustaining the current dividend yield. The company plans to keep paying dividends.

The company has paid out the same distribution for over 13 years without cutting the dividend payouts. While I cannot promise you that Chemtrade will continue to provide consistent payouts, I do not see any reason why the company will not be able to.

Canadian Natural Resources

Another energy sector stock to consider, Canadian Natural Resources, is one of the [high-yield dividend stocks](#) to suffer from the short-term volatility in the stock market right now. Canadian Natural Resources shares are trading at \$34.17 at the time of writing, and I feel that the company looks more attractive than ever for high-dividend-seeking investors.

Despite a difficult time for the Canadian oil and gas sector, CNQ is producing substantial cash flows. The company's stock is down almost 20% this year, despite a strong run of results. The fundamentals that make a company a lucrative option for investors are all there for Canadian Natural Resources.

In Q2 2019, the company generated massive amounts in free cash flow after capital expenditures, making dividend payments of \$1.295 million to investors. Share prices across the industry are suffering because the energy sector is riddled with bad news. For Canadian Natural, the share prices have resulted in an attractive looking stock.

A dividend yield of 4.25%, massive cash flows that keep on increasing, and reliable payouts make Canadian Natural Resources a strong contender to consider.

Foolish takeaway

At the current prices, Suncor, Chemtrade, and Canadian Natural Resources are all more accessible than the stocks have been in recent times. This Fool believes these high-yield dividend-paying stocks could be ideal opportunities for you to buy before the prices start to soar again.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:CHE.UN (Chemtrade Logistics Income Fund)
4. TSX:CNQ (Canadian Natural Resources Limited)
5. TSX:SU (Suncor Energy Inc.)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Tags

1. Editor's Choice

Date

2025/08/26

Date Created

2019/10/15

Author

adamohtman

default watermark

default watermark