Market Crash: 2 Cheap Dividend Stocks to Buy Today!

Description

At the beginning of February, I'd discussed the sky-high valuations that were making things tough for investors who were hunting for value. Suffice it to say, a lot can change in a few weeks. The S&P/TSX Composite Index fell 6.7% over the course of the previous trading week. This was in line with a dismal performance from global markets, as investors fell into a panic over the spread of the COVID-19 coronavirus and the economic shocks it could bring with it.

Times like these are usually music to the ears of value investors. Reports indicate that central banks are already entertaining potential rate cuts. At the time of this writing, European stocks were up, and U.S. futures were in the green on the heels of this news. There are discounts in abundance on the TSX right now.

Today, I want to look at two dividend stocks linked to the housing market. Last month, I'd discussed some reasons investors should be bullish on Canada housing after it was tested for a short period in 2017 and 2018. The equities I will look at today offer great value right now.

Genworth MI Canada

Genworth MI Canada (TSX:MIC) has been one of the most dependable housing-linked dividend stocks on the TSX. It is the largest private residential insurer operating in the country, and it has feasted on the hot Canadian housing market over the past decade. However, it was not immune to the volatility last week. Its stock dropped 8.5% week over week as of close on February 28.

The company put together a strong 2019 on the back of improved housing activity across the country. New insurance written from transactional insurance rose 9% from 2018 to $19.3 billion. This was driven by larger transactional mortgage originations and improved market penetration. Premiums written also posted 9% growth to $677 million.

Shares of Genworth had a favourable price-to-earnings ratio of 10 and a price-to-book value of 1.1 at the time of this writing. Its stock possessed an RSI of 17, putting Genworth deep in technically oversold territory. It offers a quarterly dividend of $0.54 per share, which now represents a solid 4.1% yield. Now is a great time to consider Genworth stock.

Bridgemarq Real Estate

Bridgemarq Real Estate (TSX:BRE) is a North York-based real estate services company. It provides information and services to real estate agents and brokers through a portfolio or real estate brands, some of which include Royal LePage and Johnston & Danie. Sales moved up sharply in January 2020, and Finance Minister Bill Morneau moved to ease the stress test on insured buyers. This is all good news for Bridgemarq.

Shares of Bridgemarq have dropped 7.7% month over month as of close on February 28. Investors can expect to see its fourth-quarter and full-year results for 2019 on March 6. In its previous quarterly report, Bridgemarq announced that its network of REALTORS increased to 19,184 — up from 18,799 as at September 30, 2018. The stock offers a monthly dividend of $0.1125 per share, which represents a monster 9.4% yield.

The stock was trending towards oversold territory as of close on February 28 with an RSI of 34. Bridgemarq does not offer the fundamentals of Genworth, but it is hard to pass up its tasty dividend after the recent bloodbath in the markets. If you are bullish on housing, as I am, you should consider Bridgemarq today.

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1. TSX:BRE (Bridgemarq Real Estate Services Inc.)

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