These 2 Dividend Aristocrats are Dirt-Cheap Right Now

Description

The COVID-19 pandemic continues to wreak havoc in global stock markets with no end in sight. Until there is a viable form of treatment or vaccine, we might witness an extended lockdown that will continue to decimate the economy. Stocks seem to be on the verge of complete collapse and then recover amid the market volatility right now.

There is no telling how long the volatility will last. It is not the easiest time to be an investor right now. Still, I would urge you not to panic. Where the market crash is creating problems for the stock market, there is also an opportunity for investors with a long-term plan.

The market crash has caused several high-quality stocks to dip below their intrinsic values. I am going to discuss the **Royal Bank of Canada** (TSX:RY)(NYSE:RY) and **BCE Inc.** (TSX:BCE)(NYSE:BCE). These companies have excellent fundamentals that make their stocks bargains due to the decline in share prices.

BCE Inc.

BCE Inc. is among the most significant telecom companies in the world. It operates in a sector that is not likely to lose much revenue due to reduced consumer spending. No matter how bad the economy gets, people still need access to the internet and to communicate with each other.

BCE is the biggest telecom operator in Canada. It is also the best asset to consider in the sector. It offers its clients diversified services. Its wide range of services includes media operations, home internet, wireless internet, and much more. The company can continue adding more subscribers to its services despite dire economic circumstances.

BCE can continue to see substantial growth with the rollout of 5G. The company signed its first 5G wireless supplier agreement with **Noki**. It is already prepared to deliver initial 5G services across the country as 5G-capable devices begin to debut on the markets this year.

Royal Bank of Canada

Canada's banking sector has long been considered a reliable source when it comes to income-producing assets for shareholders. The Big Six banks in Canada are among the best dividend-paying stocks in North America.

Several factors lead to the banks' ability to provide safe and reliable dividends to shareholders. Careful lending practices and healthy balance sheets have provided banks like the Royal Bank of Canada the position it enjoys.

RBC is among the stocks suffering from the market pullback caused by the COVID-19 pandemic. The most prominent lender in the country, it also has a substantial presence in the U.S. retail banking sector. It is one of the most diversified financial institutions in Canada with asset management and capital market operations around the world.

RBC's diversity allows the bank to earn a stable income and enjoy a healthier balance sheet than its peers with highly localized presences. Despite the market correction, this Canadian Dividend Aristocrat's payout looks safe. There are, however, concerns regarding its dividend growth due to the adverse financial environment.

Foolish takeaway

At writing, BCE is trading for $57.02 per share, and it has a juicy 5.84% dividend yield. The stock is down 12.53% from its February 2020 high. RBC is trading for $84.95 per share at writing with a dividend yield of 5.09%. It is down 22.21% from its February 2020 high.

The decline in share prices is not unexpected due to the broader market pullback. I think there is an excellent chance to pick up high-quality stocks at a bargain, andboth RBC and BCE present ideal assets for to consider.

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