



3 Cheap Canadian Dividend Stocks to Buy Now

Description

If you're interested in dividend stocks, you should be interested in the three following stocks. These companies are solid financially, and their dividends are safe. Plus, these dividend stocks are [cheap](#), so it's a good time to load up on some shares.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) is a transportation and midstream service provider with an integrated system of pipelines that transport various hydrocarbon liquids and natural gas products produced primarily in Western Canada. The company also has gas collection and processing facilities as well as an infrastructure and logistics business for oil and natural gas liquids.

Pembina is developing a business of export terminals and a petrochemical facility to convert propane to polypropylene.

Like most midstream companies, Pembina Pipeline acts kind of like a toll road in that it receives a royalty or similar payment from its customers based on the volumes of product transported. This royalty does not depend on the value of resources, which allows the company to protect itself to some extent against fluctuations in commodity prices.

In addition, the company provides this service to its customers under relatively long-term contracts that plan for a minimum volume of resources that its customers must transport through its infrastructure. This has the effect of giving Pembina Pipeline a relatively secure and constant source of income over a long period of time.

The stock has an impressive dividend yield of 7.2%. The company should be able to maintain this dividend.

Therefore, by buying Pembina stock, you have the opportunity to receive a reasonably high dividend yield while waiting for the oil sector to recover. Plus, the stock is quite cheap with a forward P/E of 15.4.

Shares of Pembina are down 25% year to date.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is one of the most recession-proof stocks on the TSX. This telecom company will give you a safe regular income that is welcomed when you are on a tight budget. BCE is the kind of stock you can hold for long periods of time without worrying too much.

BCE has a sweet dividend yield of 5.8%. The dividend is stable and secure and has grown during most years. Whether wired or wireless, Internet media is quite resilient to recessions, as it is essential. BCE is even seeing a little tailwind on demand.

After years and billions of dollars in the making, BCE is launching its 5G networks this year. It announced last week its launch in Montreal, GTA, Calgary, Edmonton, and Vancouver. BCE chose [Ericsson and Nokia for building out its 5G networks](#).

The stock is undervalued with a forward P/E of 16.8. Shares of BCE are down 1% year to date.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is North America's largest pipeline company. Enbridge is a resilient business but is not immune to the unprecedented nature of the current COVID-19 crisis or the global oil price shock affecting that side of its business.

The company has taken steps to reduce labour costs because of negative impacts from the COVID-19 pandemic and the low price of oil.

About 55% of Enbridge's profits come from its liquid pipeline business. Gas transportation represents an additional 40%. Finally, just over 4% of its revenues come from renewable energy.

Enbridge recently announced it will focus more on natural gas and renewable energy.

The energy transition will be gradual. Although it will continue to invest in oil pipelines, the company will also direct an increasing proportion of its capital to its natural gas and renewable energy projects. It is a response to global consumer demands to reduce energy emissions.

Enbridge is one of the best dividend stocks on the TSX. It has been paying a dividend without interruption for 69 years. Its current dividend yield is 7%. The stock is cheap with a forward P/E of 15.6. Shares of Enbridge are down 15% year to date.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:PBA (Pembina Pipeline Corporation)
4. TSX:BCE (BCE Inc.)
5. TSX:ENB (Enbridge Inc.)
6. TSX:PPL (Pembina Pipeline Corporation)

PARTNER-FEEDS

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

Category

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Tech Stocks

Tags

1. Editor's Choice

Date

2025/08/26

Date Created

2020/06/22

Author

sbchateauneuf

default watermark

default watermark