



2 TSX Dividend Stocks To Buy Cheap Now

Description

Canada's main stock index seems to be [searching for direction](#) despite a solid first week in July 2020. The recent market crash is still fresh in the minds of investors, and COVID-19 is still around. While the sharp rebound of the **TSX** is a welcome development, many expect second-quarter earnings to be horrible.

Stock prices could plunge again, or the market could shrug it off as in the last two months. For income investors, there are [dividend stocks](#) you can buy at low prices. The yields are high, while dividends should be safe.

Sweet earnings

Rogers Sugar ([TSX:RSI](#)) is trading at less than \$5, but the dividend offer is generous. The consumer-defensive stock pays a 7.69% dividend. Your \$20,000 capital can purchase 4,255 worth of shares and generate \$1,538 in passive income. You will be investing in a pure income stock, but don't expect capital appreciation.

Sugar is not a growth business, yet the company can sustain paying dividends. This \$489 million refiner of sugar and maple products operate in a duopoly in Canada. There is hardly a competition, so the business should remain stable without much challenge.

Rogers Sugar bought a maple syrup company to diversify and sell higher-margin products. The business is seasonal and usually picks up toward the last quarter or the holidays when people consume all kinds of sweets.

The company is operating at full capacity during the pandemic because sugar production is an essential service. Moving forward, Rogers Sugar should see growth in the maple segment following its footprint optimization project.

A landlord's dream

Dream Industrial ([TSX:DIR.UN](#)) is down 14.43% year to date, so the current stock price of \$10.82 is a good entry point. This \$1.65 billion real estate investment trust pays a 6.42% dividend. By investing in this high-yield stock, you gain exposure to the real estate sector.

The real estate portfolio consists of 262 industrial properties. Dream Industrial owns and operates rental properties in key markets across North America. It is starting to grow its presence in Europe. The REIT is expanding into the light industrial property markets in Germany and the Netherlands.

Rent collection did not suffer and was consistent across all of the operating regions. Dream was able to collect 95% of the total rent due in April and May and almost the same percentage in June. There were agreed-upon rent deferrals with some tenants.

The REIT's overall liquidity is about \$400 million, including a new unsecured revolving credit line of US\$250 million. As of the quarter ended March 31, 2020, the value of Dream Industrial's investment portfolio is \$1.1 billion.

CFO Lenis Quan said the goals are to maintain a flexible and robust balance sheet and to allocate capital toward high-quality investment opportunities. The improved overall quality of the portfolio should result in increased cash flow over the long term.

Upside

The 2020 market selloff opened buying opportunities for income investors. You can boost your dividend portfolio with cheap but high-yielding stocks like Rogers Sugar and Dream Industrial REIT. If you have free cash to invest, let the money work for you now.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:DIR.UN (Dream Industrial REIT)
2. TSX:RSI (Rogers Sugar Inc.)

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