



Got \$1,000? 2 Cheap Canadian Dividend Stocks That Can Make You Very Rich!

Description

If you're like many Canadian investors with an extra \$1,000 to invest, now is as good a time to put it to work in the value opportunities that still exist in this wildly volatile market. Bond yields have crept higher in recent weeks, applying considerable pressure to growth stocks, especially those that don't expect to make a profit until far into the future.

As bond yields continue their ascent (and bond prices their descent), I'd look to capitalize on Mr. Market's moments of inefficiency. During times of excess volatility, he's prone to underpricing the stocks of wonderful businesses that don't deserve to be punished. As margin debt is squashed out of this market, I think there's an increased chance that Mr. Market's inefficient moments could turn into pricing blunders.

TSX value stocks can enrich you over the long term

While the best of this ["sale"](#) on stocks may be up ahead, I'd still look to scoop up the compelling bargains that do exist today. Why? Because there's no guarantee that today's bargains will exist tomorrow, let alone evolve into "steals" like in the depths of the 2020 stock market crash.

So, if you want to get rich over the next several decades, consider buying and holding the following names while they're still [attractively priced](#).

Without further ado, consider **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) and **Canadian Western Bank** ([TSX:CWB](#)).

A growing dividend with profound tailwinds up ahead

While BCE may not seem like a steal or a name that could make you rich, over the course of decades, you'd better believe the firm is capable of giving your portfolio's total returns a major jolt. The stock has been under pressure for nearly a full year now despite the profound tailwind that's common to the entire telecom scene: the 5G boom.

The pandemic delayed the boom by some amount of time, but I still think it will eventually give BCE and its peers a big lift. BCE recently boosted its capex plan by over \$1 billion to double its 5G coverage. And the spending hike isn't coming at the cost of the dividend either. BCE hiked its payout by a modest amount recently, reinforcing its confidence that it can bounce back abruptly in the post-COVID world that's just up ahead.

With a 6.1% yield, I'd lock-in the yield by loading up on the stock now as you wait for the recovery and post-COVID telecom boom to propel the stock above and beyond all-time highs.

A soaring regional bank stock with a 3.33% dividend yield

The Canadian banks have been hot of late. If you listened to my Foolish advice and not the sell-side analyst community, you probably bought, as others sold back in the depths of last year. Yes, the banks were up against it even before COVID struck. The pandemic acted as salt in the wounds of the already ailing banks that were battling suffering through provisioning.

The vaccine timeline was clouded, and fears grew about how the banks would be left holding the bag once borrowers could not meet debt obligations. Yes, it was scary, but you just had to go with history when it came to the banks. Canadian Western Bank is a regional bank (regional to Western Canada, although the bank has begun to expand eastward) that took the brunt of the damage.

Despite paling in comparison to some of its bigger brothers in the Big Six, I thought investors were heavily discounting the bank's capitalization and the woes facing the ailing province of Alberta, which CWB has a front-row seat to. Regardless, I thought there was deep value to be had, as others threw in the towel. And after a nice ascent out of those ominous 2020 depths, I still think there's value to be had, as oil prices look to rocket above US\$70.

All of a sudden, headwinds (CWB's Albertan exposure) are looking like a tailwind. And if you missed the run in the Big Six, I'd look to CWB stock as a catch-up investment while shares are off 20% from their highs.

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2. TSX:BCE (BCE Inc.)
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