TFSA Investors: 3 Cheap Dividend Stocks to Buy Now

Description

The **S&P/TSX Composite Index** was down over 70 points in late morning trading on March 23. Energy, health care, and base metals sectors led the decline. The last year has presented fantastic opportunities for investors looking for growth in a Tax-Free Savings Account (TFSA). Today, I want to look at three cheap dividend stocks that are worth stashing in late March. Let's dive in.

Why TSX investors should pile in on the green energy space

Canada's oil and gas sector encountered significant turbulence during the COVID-19 pandemic. However, the green energy space is still very promising. The new Joe Biden administration brings changed priorities, which include a renewed focus on bolstering this space. TFSA investors should target green energy dividend stocks in this climate.

Boralex (TSX:BLX) is engaged in the development, construction, and operation of renewable power facilities in North America, France, and Britain. Shares of this dividend stock have dropped 22% in 2021 at the time of this writing. The stock is still up 104% from the prior year.

The company put together a very strong year in the face of the pandemic. Cash flow rose 22% year-over-year to $146 million and combined EBITDA increased 4% to $513 million. Power production achieved 5% growth in 2020 and revenues from energy sales climbed 7% to $738 million.

Shares of Boralex last had an RSI of 32, putting it just outside of technically oversold territory. TFSA investors can also count on its quarterly dividend of $0.165 per share, which represents a 1.7% yield. This dividend stock is worth buying on the dip right now.

Another cheap dividend stock to buy in this sector

Innergex Renewable Energy (TSX:INE) is another green energy dividend stock I'd recently recommended for investors. This company operates as an independent renewable power producer in Canada, the United States, France, and Chile. Its stock has dropped 22% in 2021. Shares are up 50%

year over year.

In 2020, revenues proportionate increased 12% to $781 million and adjusted EBITDA proportionate jumped 8% to $560 million. Innergex is in a very solid position for capital investment with $457 million in liquidity. Its production and long-term average achieved growth of 24% in 2020 compared to 2019.

Shares of this dividend stock last had an RSI of 34. It has spent most of March deep in oversold territory. Moreover, it offers a quarterly dividend of $0.18 per share. That represents a 3.3% yield. Innergex is well worth adding to your TFSA today.

This super utility is worth stashing in your TFSA

Coming into 2020, I'd suggested that investors should snatch up top utility dividend stocks. **Hydro One** (TSX:H) boasts an electricity transmission and distribution monopoly in Ontario. Its shares have climbed 2.3% in 2021 and the stock has climbed 41% year over year. Still, this dividend stock is worth adding to your TFSA in late March.

Hydro One released its final batch of 2020 results on February 24. Revenues rose to $7.29 billion compared to $6.48 billion in the prior year. However, basic adjusted diluted earnings per share were down marginally from 2019.

Shares of Hydro One last had a favourable price-to-earnings ratio of 10. The dividend stock offers a quarterly distribution of $0.254 per share. That represents a 3.4% yield.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:BLX (Boralex Inc.)
2. TSX:H (Hydro One Limited)
3. TSX:INE (Innergex Renewable Energy)

PARTNER-FEEDS

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

Category

1. Investing

Date
2025/08/17

Date Created
2021/03/23
Author
aocallaghan