



2 Top Canadian Value Stocks to Buy for Dividends

Description

The **S&P/TSX Composite Index** has been on the rise for most of 2021, as the strong market momentum from 2020 continued this year. After a devastating period of panic-induced selloffs in February and March 2020, most of the stock market has recovered to pre-pandemic valuations. Some of the top Canadian stocks leading the rally managed to outperform the broader markets.

With the S&P/TSX Composite Index trading at new all-time highs, it might have seemed impossible to find high-quality stocks trading for discounted prices. The past few days have seen the index dip by 1.65% between August 11 and August 19. If you have been waiting on the sidelines to find [undervalued stocks](#) that you could invest in to generate significant returns, now would be the right time to deploy the capital.

Today, I will discuss two value dividend stocks that could be ideal for you if you're looking for assets that can generate returns through capital gains and [dividend payouts](#).

B2Gold

Gold is widely regarded as a safe-haven asset that appreciates in value when the broader economy declines. The current market environment in which the market indices are at or near all-time highs is creating rising concerns of a drastic pullback. These conditions could lead to a significant rise in gold prices, and companies like **B2Gold** ([TSX:BTO](#))(NYSE:BTG) will benefit the most from such a development.

The Vancouver-based gold producer is trading for \$4.74 per share at writing, and it is down by more than 37% in 2021. At its current price, the gold mining stock boasts a juicy 4.17% dividend yield. Suppose that a significant market correction occurs and gold prices rise. In that case, B2Gold investors could be looking at substantial returns through capital gains, as the company's profit margins improve.

Chemtrade Logistics

Chemtrade Logistics Income Fund ([TSX:CHE.UN](#)) is an Ontario-based income fund that declined drastically in the February and March 2020 selloff frenzy. Unlike the broader market, the dividend stock did not make a rapid recovery in the following months, and it has had a tough time on the stock market.

The company provides industrial chemicals and services in the U.S., Canada, and South America. It caters to dozens of industries that have companies that rely on Chemtrade to provide them with specialty chemicals, electrochemical products, water solutions, performance chemicals, and sulfur products. While the pandemic has led to substantial headwinds in 2020 and the first half of 2021, Chemtrade managed to perform better this year than it did last year.

The company reduced its net loss to \$20.4 million in Q1 2021 compared to a net loss of \$97.9 million in the same period last year. Nonetheless, the company provides services that are essential to several industries. At writing, the stock is trading for \$6.27 per share, and it boasts a juicy 9.57% dividend yield.

Foolish takeaway

Adding shares of B2Gold stock and Chemtrade Logistics Income Fund stock could provide you with a one-two punch of capital gains and significant passive income through [high dividend yields](#).

With concerns of rising volatility in the stock market, gold prices could rise. Higher gold prices could significantly bolster the profit margins for B2Gold stock, allowing it to provide you with greater returns, as its price appreciates along with gold prices. You can continue enjoying its dividend payouts as you wait for the share prices to rise.

Chemtrade Logistics stock is an ideal stock that entered oversold territory. The stock boasts a very juicy dividend yield and pays its shareholders each month, making it an ideal monthly income stock.

Remember that both assets come with their respective risks, so try to be cautious with how much you invest in the companies if you decide to add the shares to your portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSEMKT:BTG (B2Gold Corp.)
2. TSX:BTO (B2Gold Corp.)
3. TSX:CHE.UN (Chemtrade Logistics Income Fund)

PARTNER-FEEDS

1. Business Insider

2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. adamothonman
2. metienne

Category

1. Dividend Stocks
2. Investing

Tags

1. Editor's Choice

Date

2025/06/30

Date Created

2021/08/24

Author

adamothonman

default watermark

default watermark