



3 Top Under-\$50 Dividend Stocks to Buy Before August Ends

Description

TSX stocks are set to end the seventh consecutive month on a positive note in August. While many Canadian stocks have seen a sharp rally the last few months, some high-dividend-paying stocks still seem to have room to inch up further with their consistently improving fundamentals. Let's take a closer look at three such top TSX dividend stocks you can buy today to gain big in the medium to long term and [generate extra income](#). All of these Canadian stocks are currently trading below \$50 per share.

Power Corporation stock

Power Corporation ([TSX:POW](#)) is a Montréal-based holding company with stakes in various industries, including financial services, renewable energy, and communications. Despite its diversified business portfolio, the company mainly focuses on its financial services businesses that include insurance, retirement, and wealth management-related services in North America and Europe. Power Corporation's stock has risen by 47% this year so far to \$43.02 per share.

The ongoing trend in the company's financials is strong as its YoY (year-over-year) earnings growth has consistently been improving for the last three quarters. Power Corporation's adjusted [earnings](#) rose by more than 90% YoY to a new record of \$1.51 per share in the June quarter. Apart from the consistent organic growth in its businesses, its strong dividend yield of 4.2% makes it one of the best Canadian dividend stocks to buy today.

Exchange Income stock

Exchange Income ([TSX:EIF](#)) is a Winnipeg-based firm with its focus on acquisitions of quality businesses from two sectors: manufacturing and aerospace and aviation. The company has a market cap of \$1.7 billion, as its stock currently trades at \$43.61 per share — up 19% on a year-to-date basis.

While most other aviation companies have suffered due to the pandemic lately, the demand for Exchange Income's essential niche aviation operations, like emergency medical services and charter

services, has remained strong. Also, with a recent sharp recovery in the manufacturing sector, the company posted a solid 32% YoY (year-over-year) increase in its Q2 revenue. Its consistently improving fundamentals could be another reason why analysts expect Exchange Income to post solid 64% earnings growth this year.

Its strong balance sheet allows the company to reward its investors with solid dividends every month. EIF stock currently offers a 5.2% dividend yield, making it one of the best TSX dividend stocks to buy right now.

Pembina Pipeline stock

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) is a Canadian energy company that provides midstream service and transportation. The company's huge network of pipeline services transports hydrocarbon liquids and natural gas, mainly from western Canada. Pembina Pipeline's stock is currently trading at \$39.23 per share after gaining more than 30% this year so far.

After its revenue fell by 14% in 2020 due to the pandemic-driven factors, its overall business has seen a much better than expected recovery in the first half of 2021. In the June quarter, its revenue rose by 54% YoY. The ongoing strength in commodities like crude oil, condensate, natural gas, and natural gas liquids is driving its revenue higher. That's why Pembina recently revised its annual adjusted EBITDA guidance upward earlier this month. I expect these factors to keep PPL stock soaring in the coming months, as the demand for energy products continues to improve with reopening economies. This Canadian stock also has an impressive dividend yield of more than 6% at the moment.

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2. Investing

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Author

jparashar

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