



The 3 Best Canadian Dividend Stocks Under \$50 to Buy Now

Description

Motley Fool investors know it's never too early to start thinking about retirement. If you're able to invest, one of the first goals you should think of should be retirement. And if you're [starting early](#), it doesn't have to be a lot. After figuring out what you need to put aside for your budget, bills, and debt, then your savings should come next. Even if you put aside just \$50 per month, that's better than zero. And that's why today I'm going to be looking at three of the best Canadian dividend stocks under \$50. Even if that's all you can afford, this will ensure you take in cash each quarter for decades.

Suncor stock

The overseas market has had a strong influence on commodity prices, especially as cold weather fears loom. Some of the best Canadian dividend stocks are in this market, yet not many stocks trade at valuable prices with a promising future. Yet one of those stocks would definitely be **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)).

Suncor stock currently trades at about \$29 per share, up 78% in the last year. However, analysts predict this supply-demand could see shares of Suncor stock almost double in the next year. This would also mean a return to its past dividend yield for Suncor stock, which was cut during the pandemic. As of writing, the dividend sits at 2.92%. So Motley Fool investors could pick up one of the best Canadian dividend stocks with both incredible returns, share increase, *and* a dividend boost.

Canadian Utilities

If you're a Motley Fool investor looking to get benefits from both the boom in natural gas and from renewable energy, then I would look at the utility sector. Companies like **Canadian Utilities** ([TSX:CU](#)) offer investors growth from future investment from the utility sector, providing a steady stream of cash flow used for acquisitions and growth. But it also gets a boom from the growth in gas right now, making it one of the best Canadian dividend stocks to consider.

Shares are up just 10% this year and could rise another 7% based on the average potential upside.

But you also get a 5.06% dividend yield that's risen at a compound annual growth rate (CAGR) of 8.72% in the last decade. Furthermore, you can pick it up for just \$35 at a valuable EV/EBITDA of 13.48.

Canadian Western Bank

Finally, bank stocks are always a solid bet for dividends. But most [trade](#) at or near \$100. Most, but not all. **Canadian Western Bank** ([TSX:CWB](#)) currently trades at just \$38.50, with a dividend yield of 3% as of writing. That yield has grown at a CAGR of 10% during the last decade.

Shares of the stock are up 46% during the last year as the economy rebounds, making it one of the best Canadian dividend stocks in the banking sector. Yet it has a P/B ratio of 1, making it highly valuable. It continues to show strong performance in the banking sector and provides investors with a cheap option to get in on the strength of Canadian banks.

CATEGORY

- 1. Dividend Stocks
- 2. Investing

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- 2. TSX:CU (Canadian Utilities Limited)
- 3. TSX:CWB (Canadian Western Bank)
- 4. TSX:SU (Suncor Energy Inc.)

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Date

2025/06/30

Date Created

2021/10/12
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