



FIRE SALE: 3 Cheap Dividend Stocks That Yield up to 4.8%

Description

The **S&P/TSX Composite Index** rose 95 points on November 3. When this week started, Canadian stocks were still licking their wounds due to a rough end to the month of October. The Bank of Canada (BoC) recently announced the end of its QE bond-buying program, and it has telegraphed its intention to tighten rates going forward. This could have a disruptive impact on the broader market. Today, I want to look at three dependable [dividend stocks](#) that look undervalued right now. These equities are well worth snatching up on a discount in this environment. Let's jump in.

This top dividend stock is undervalued in early November

Great-West Lifeco ([TSX:GWO](#)) is a Winnipeg-based company that is engaged in the life insurance and financial services industry. Shares of this dividend stock have increased 23% in 2021 as of close on November 3. The dividend stock is up 29% from the previous year. In January, I'd [suggested](#) that investors scoop up Great-West for the long haul.

The company unveiled its third-quarter 2021 results on November 3. Total base earnings were reported at \$870 million — up from \$679 million in the prior year. Meanwhile, assets under administration (AUA) increased 11% year over year to \$2.2 trillion. Like the previous quarter, the company benefited from positive momentum in the broader market.

Shares of this dividend stock possess a favourable price-to-earnings (P/E) ratio of 10. Moreover, it offers a quarterly dividend of \$0.438 per share, which represents a 4.7% yield. The stock slipped into technically oversold territory in the middle of October. It is not too late to buy Great-West on the dip.

Here's a green energy stock that belongs in your portfolio

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) is an Oakville-based company that owns and operates a portfolio of regulated and non-regulated generation, distribution, and transmission utility assets in North America. This dividend stock has plunged 14% in the year-to-date period. I'd [targeted](#) this green energy stock early last month.

Investors can expect to see its third-quarter 2021 results on November 11. In Q2 2021, the company delivered revenue growth of 54% to \$527 million. Meanwhile, adjusted net earnings increased to \$91.7 million, or \$0.15 on a per-share basis — up 93% and 67%, respectively, from the previous year. Moreover, adjusted EBITDA jumped 39% to \$244 million.

This dividend stock has a favourable P/E ratio of 12. It last paid out a quarterly dividend of \$0.171 per share, which represents a very solid 4.8% yield.

One more dividend stock to snatch up today

Cascades ([TSX:CAS](#)) is the third dividend stock I want to zero in on today. This Quebec-based company produces, converts, and markets packaging and tissue products in Canada and around the world. Its shares have been mostly flat in 2021. The stock has dropped 7.1% month over month.

This company is also set to unveil its next batch of results on November 11. In the second quarter of 2021, Cascades saw sales slip compared to the previous year. Meanwhile, Cascades was hit hard by higher material costs that led to a disappointing quarter. Fortunately, it anticipates that market conditions will normalize in the near term and provide a boost to its earnings.

Shares of the dividend stock possess an attractive P/E ratio of 9.7. It has an RSI of 31, putting it just outside technically oversold territory. Better yet, it offers a quarterly dividend of \$0.12 per share. That represents a 3.3% yield.

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2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:CAS (Cascades Inc.)
4. TSX:GWO (Great-West Lifeco Inc.)

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