



2 Cheap (Under-\$6) Passive-Income Stocks to Buy Now

Description

A single criterion for choosing stocks can't suit all investors. Some investors have a high-risk appetite and can afford to make risky short-term bets in the stock market. But a large group of long-term investors prefers to buy stocks with a proven track record of consistent financial growth. Usually, such stocks involve comparatively lower risks and reward their long-term investors with good [dividends](#), which helps them generate extra income. In this article, I'll highlight two such cheap stocks in Canada that could help you get impressive passive income. The stock prices of both these companies are currently lower than \$6 per share.

Corus Entertainment stock

Corus Entertainment ([TSX:CJR.B](#)) is my first pick for investors who want to buy a cheap dividend stock to help them receive regular passive income. This Toronto-based media and content company currently has a market cap of about \$1.1 billion. Its stock is currently trading at \$5.17 per share with 8.5% year-to-date gains after rising by nearly 11% last year.

The COVID-19-related challenges affected Corus Entertainment's business and drove its adjusted earnings lower by 11.7% in the fiscal year 2020. Nonetheless, the company's advanced advertising initiatives and rising demand for its original content helped the entertainment company post a sharper-than-expected recovery in 2021. As a result, its adjusted earnings in the fiscal year 2021 jumped by 17.3% from a year ago to \$0.88 per share. This earnings figure was also higher than its earnings two fiscal years ago (in the pre-pandemic fiscal year).

Interestingly, Corus Entertainment has continued to beat analysts' earnings estimates for the last six quarters in a row — showcasing strength in its fundamental trends. Besides these positive factors, which could help Corus stock soar, it also has an attractive dividend yield of around 4.6% at the moment. That's why you may want to add this cheap dividend stock to your portfolio now to start getting good passive income.

B2Gold stock

B2Gold ([TSX:BTO](#))(NYSE:BTG) could be another great addition to your portfolio if you're looking to buy cheap dividend stocks for passive income. It's a Vancouver-based low-cost senior gold producer with a market cap of about \$5 billion. This passive-income stock currently trades at \$4.71 per share with 5.4% year-to-date losses.

In Q4 2021, B2Gold [posted](#) record quarterly gold production at its Otjikoto Mine, which also helped it mark the 13th year of record annual total gold production in a row. Along with its strong profitability and financial position, the company's efforts to increase low-cost gold production make it worth considering for the long term, in my opinion. These efforts could be one of the reasons why Street analysts expect B2Gold to report double-digit earnings growth in 2022.

While weakening gold prices in 2021 affected its financial growth, the overall long-term outlook for gold prices remains strong. Stronger gold prices are likely to improve its profitability further and fuel a rally in its stock. At the current market price, B2Gold stock has a dividend yield of around 4.3%, which could help investors get good passive income.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:BTO (B2Gold Corp.)
3. TSX:CJR.B (Corus Entertainment Inc.)

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