



4 Cheap Dividend Stocks Yielding Above 5%

Description

Dividend stocks have seen a massive increase in popularity lately. That comes as the volatile market continues for **TSX** investors. The S&P/TSX Composite Index is up just 0.5% year to date, as of writing. While this comes after enormous gains over the last year or so, it's now a difficult landscape for TSX investors to manage.

So, naturally, Motley Fool investors have been looking for guaranteed income through dividend stocks. Not everyone is created equal, which is why today I'm going to make it easy on you. Here are four dividend stocks that still trade on the [cheap](#), with yields above 5% at the time of writing.

Pembina Pipeline: 6.04%

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) delivers monthly dividend for its investors. The stock offers a 6.04% dividend yield, which comes to \$2.52 per share per year. Among dividend stocks, we haven't seen a raise in the dividend in quite some time. But given the company's [outlook](#), that could be on the way soon.

Pembina stock continues to support its dividend through long-term contracts. Furthermore, it has ongoing projects to bring in more revenue, including through renewable energy and carbon-capture programs. Earnings are due out Feb. 24, and, last quarter, the company beat estimates. The company reported \$588 million in earnings, up 82% year over year. It also just upped its 2022 guidance to adjusted EBITDA between \$3.35 and \$3.55 billion.

Shares of Pembina stock trade at 16.64 times earnings for the next 12 months and at 1.58 times book value. Shares are up 11% year to date among dividend stocks.

NorthWest Healthcare: 5.97%

NorthWest Healthcare Property Units REIT ([TSX:NWH.UN](#)) also delivers monthly dividends for Motley Fool investors. You can pick up a 5.97% dividend yield, which is \$0.80 per share annually. It too

hasn't seen much dividend movement among dividend stocks. However, its acquisitions lately could change that.

NorthWest stock has a solid dividend thanks to its growth through acquisition. It has a diverse range of healthcare properties around the world, including new additions through an Australian REIT for \$2 billion. Earnings should be announced soon, and last quarter the company reported an 11% increase in net asset value, and a 14.1 average lease agreement. Talk about stable.

Shares of among dividend stocks remain crazy cheap, trading at 6.56 times earnings and 1.31 times book value. Shares remain pretty much where they were at the start of 2022.

BCE: 5.52%

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is Canada's top telecommunication company, delivering solid dividend payments for Motley Fool investors. Right now, BCE stock offers a 5.52% dividend yield; that's \$3.68 per share annually. The company also boosted the dividend by 5.1% recently during its earnings report, which came out this month. That's more than most dividend stocks can [claim](#).

BCE stock and its recent earnings showed the strength of this telecom company. The stock reached 99% of pre-COVID 2019 revenue, reporting the best annual retail residential subscriber performance in a decade. Its fibre-to-the-home rollout surpassed expectations, with mobile 5G reaching over 70% of Canadians. Earnings per share also beat estimates at \$0.69.

Shares of BCE stock continue to be cheap trading at 19.76 times earnings and 3.25 times book value. Shares are up 1.5% year to date as of writing.

TransAlta Renewables: 5.5%

Finally, **TransAlta Renewables** ([TSX:RNW](#)) is a solid choice among dividend stocks and for long-term investment. It offers dividend payments of 5.5%, or \$0.94 per share annually, on a monthly basis. The dividend hasn't had a boost since 2017 and may remain solid for now.

TransAlta stock is set to announce earnings on Feb. 24, and among dividend stocks it did well last quarter, though missed estimates. EBITDA increased by \$6 million year over year in the third quarter, as it closed acquisitions and continues to diversify its clean energy projects.

Shares of TransAlta stock trade at a fairly valued 24.39 times earnings and a valuable 2.18 times book value. Shares are down 9% year to date, offering a great chance for long-term investors wanting in on dividend stocks.

CATEGORY

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2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)

2. NYSE:PBA (Pembina Pipeline Corporation)
3. TSX:BCE (BCE Inc.)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:PPL (Pembina Pipeline Corporation)
6. TSX:RNW (TransAlta Renewables)

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