



## Passive Income: 3 Cheap Dividend Stocks to Buy in February

### Description

[Dividend stocks](#) are an excellent choice if you're looking to build a [passive-income](#) stream. And with plenty of Canadian dividend stocks trading at a discount today, now is a perfect time to think about generating a new source of income.

Here's a list of three high-yielding Canadian dividend stocks. Each of the three picks is trading below all-time highs right now, so I'd act fast if you're interested in any of these companies.

### Algonquin Power

If dependability is what you're looking for, I'd recommend a utility stock. Through thick and thin, you can count on utility companies to keep your portfolio steady. During raging [bull runs](#), utility stocks may lag behind the market. But when inevitable market downturns happen, you'll be glad to own shares of a dependable utility stock.

At a market cap of over \$10 billion, **Algonquin Power** ([TSX:AQN](#))([NYSE:AQN](#)) is a leading utility provider in Canada. The dividend stock also has a growing presence in the U.S., too.

For a Dividend Aristocrat, this company is no stranger to outperforming the market. Not even including dividends, shares of Algonquin Power are up a market-beating 50% over the past five years.

At today's stock price, Algonquin Power's annual dividend of \$0.85 per share yields just shy of 5%. There aren't many other companies on the [TSX](#) that yield 5% that can also provide you with defensiveness and market-beating gains.

On top of that, shares are currently trading close to 20% below 52-week highs. Now would be a wise time to load up on this dividend stock.

### Sun Life

Insurance is another slow-growing industry, but it is a dependable one. And when you're building a passive-income stream, dependability is certainly not a bad thing.

**Sun Life** ([TSX:SLF](#))([NYSE:SLF](#)) may be trading close to all-time highs, but this dividend stock is still very [reasonably priced](#). Shares are currently valued at a forward price-to-earnings ratio of barely over 10.

The company's dividend currently yields just under 4%. It's not the highest yield you can find on the TSX, but Sun Life's dividend isn't the only reason why I recommend investing in the company today.

On top of dependability, a nearly 4% dividend yield, and a fair price, Sun Life has also outperformed the Canadian market's returns over the past five years.

There's a lot to like about this under-the-radar insurance stock.

## Brookfield Renewable Partners

Last on my list is the lowest yielding of the three dividend stocks. It has, however, largely outperformed the other two companies in terms of growth in recent years.

Shares of **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)) are up a market-crushing 110% over the past five years. And that's not even including the company's impressive 3% dividend yield.

I'm already a Brookfield Renewable Partners shareholder, but I might be adding to my position very soon. Alongside many other renewable energy stocks, shares are trading at a massive [discount](#) right now.

Shares of Brookfield Renewable Partners are down 25% over the past year compared to the **S&P/TSX Composite Index's** return of more than 15%.

If you're bullish on the long-term growth potential of the renewable energy market, I'd strongly recommend starting a position in this dividend stock, especially while it's trading at this price.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:BEP (Brookfield Renewable Partners L.P.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
5. TSX:SLF (Sun Life Financial Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

#### **PP NOTIFY USER**

1. kduncombe
2. ndobroruka

#### **Category**

1. Dividend Stocks
2. Investing

#### **Date**

2025/08/17

#### **Date Created**

2022/02/17

#### **Author**

ndobroruka

default watermark

default watermark