



## 3 Oversold Passive-Income Stocks to Buy and Lock In a Dividend

### Description

Oversold stocks can provide some of the best deals on the **TSX** today. These companies aren't all great, but if you know what to look for you can find a steal. And that's the case right now with the three companies I'm going to look at today. Not only are they in oversold territory, but they offer substantial long-term passive income through high dividends.

### Corus Entertainment: RSI of 28.86%

First up, **Corus Entertainment** ([TSX:CJR.B](#)) trades with a relative strength index (RSI) of 28.86% as of writing. Any stock with a RSI below 30% is considered oversold. And while this is low, it's actually an improvement over the last few days.

Corus stock also trades at 5.48 times earnings, making it well within value territory. Shares of the media company are down 25% in the last year, and it currently trades near 52-week lows. But you're not buying the company for returns in this case.

You can bulk up on this company for passive income with a dividend yield of 5.27%. If you invested \$10,000, you would get \$533 from dividends alone each year.

### Richelieu Hardware: RSI of 22.09%

**Richelieu Hardware** ([TSX:RCH](#)) is another company investors can consider for passive income. It currently trades with a RSI of 22.09% and is still valuable at 14.41 times earnings. Furthermore, analysts believe it's undervalued given its potential for growth after a [strong earnings](#) report.

Shares of the hardware company are down 12% in the last year, falling dramatically back in March. It now trades at 52-week lows and offers a solid dividend. You can pick up Richelieu with a 1.37% yield. That would create \$144 annually from a \$10,000 investment.

## Dye & Durham: RSI of 23.94%

Finally, **Dye & Durham** ([TSX:DND](#)) has had a wild ride the last few years. But it's a great time to get in on the stock, as it trades with an RSI of 23.94%. Furthermore, it offers a 1.38 times book value rating right now for investors seeking out a deal.

But it's been rocky lately, which led to the departure of its chief financial officer about two weeks ago, as of writing. Shares are now down 47% in the last year, again trading at 52-week lows. As a passive-income stock, it's not the most impressive, with a 0.35% dividend yield. Still analysts believe the stock could [triple in share price](#) in the future, and it offers \$33 per year in annual dividends from that same \$10,000 investment.

## Foolish takeaway

Looking for oversold stocks can be a great place to start if you want a deal. These three companies are strong and are bound for a recovery in the next few years. But if you're not sold by them, keep an eye out for companies that fall below oversold territory. This could be the deal many have been waiting for, and you could be the first to the punch. And that's especially beneficial if you get some passive income along with it.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:CJR.B (Corus Entertainment Inc.)
2. TSX:DND (Dye & Durham Limited)
3. TSX:RCH (Richelieu Hardware Ltd.)

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