



## 4 Ridiculously Cheap Dividend Stocks to Buy Now

### Description

Dividend stocks have largely outperformed the **TSX Index** in 2022. However, recent economic news has pressured several high-quality dividend-paying stocks down. As a result, [valuations](#) are beginning to look more attractive than at the start of the year. Here are four very cheap dividend stocks to buy on the recent pullback.

### A top infrastructure stock with long-term dividend growth

**Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)) might just be one of my favourite Canadian dividend stocks. The company has great history of delivering strong returns for unitholders.

Over the past 10 years, this stock has delivered a 360% return when combining stock gains and dividends paid. The amount of dividends paid out would nearly over the initial cost of the stock from 10 years ago.

BIP just announced [solid first-quarter results](#), where funds from operation grew year over year by 14%. The company increased its quarterly distribution by 6% to US\$0.54 per unit. This stock recently pulled back 7% and is paying an attractive 3.47% distribution yield right now. For a great inflation-protected dividend with decent growth as well, BIP is a top buy right now.

### A Canadian financial stalwart

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) recently pulled back by more than 12%. With a price-to-earnings ratio of 11.2, its valuation has come back to its more historic range. Likewise, this stock pays a \$0.708 quarter dividend per share. That translates to a near 4% dividend yield, which is quite attractive compared to earlier in the year.

TD has a strong retail banking franchise across Canada and the United States. As interest rates rise, it should enjoy the benefits of higher interest margins. It recently added an additional banking franchise in the U.S., and that could present growth opportunities in the future.

This Canadian stock has a great history of consistently growing its dividend by around 8-9% annually. While that could slow, TD is renowned for its reliable and growing dividend. I don't expect this trend to stop anytime soon.

## A fast-growing alternative lender

Another Canadian financial stock that has fallen even further than TD is **goeasy** ([TSX:GSY](#)). This is a lesser-known company because it caters to the non-prime lending segment in Canada.

Certainly, this is a riskier business, but goeasy earns significantly higher interest rate margins on its loans. The company has managed its business exceptionally well and is utilizing technology to grow its addressable market.

goeasy is one of the best-performing stocks in Canada over the past five years. Despite a decline of 35% in 2022, this dividend stock is still up 252% over the past five years.

This stock trades for only eight times earnings today. It currently has 3.11% dividend yield. It has grown that dividend by an incredible 50% annual average rate since 2016.

## A top energy stock with a high dividend

While **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) is up 51% in 2022, it has significantly lagged its large-cap integrated energy peers. The company has had several operational and safety issues that have flogged its capacity to consistently grow. However, its outlook could change in the coming year.

A well-known activist investor is interested in shaking up the company. Suncor has historically been a leader in operational excellence, and the investor is hoping to return it to that status. This may just be the catalyst long-standing investors have hoped for.

Today, this stock pays a \$0.42 dividend every quarter. That equals an attractive dividend yield of 3.5%. Considering current strength in energy prices, Suncor is earning a lot of excess free cash. If sustained, dividend increases and share buybacks could create [attractive future rewards](#) for shareholders.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:SU (Suncor Energy Inc.)
3. NYSE:TD (The Toronto-Dominion Bank)

4. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
5. TSX:GSY (goeasy Ltd.)
6. TSX:SU (Suncor Energy Inc.)
7. TSX:TD (The Toronto-Dominion Bank)

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