



4 Cheap Dividend Stocks for Income-Seeking Investors

Description

Investors' optimism over improving corporate earnings drove the **S&P/TSX Composite Index** higher by 3% in the first two days of trading this week. Amid rising investors' confidence, here are four cheap, monthly paying [dividend stocks](#) that you can buy to boost your passive income.

NorthWest Healthcare Properties REIT

Amid the rising income levels and aging population, the spending on healthcare could rise, benefiting **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)), which owns and operates 229 healthcare properties across eight countries. Its long-term contracts with tenants and government-backed clients stabilize its cash flows. 80% of its revenue is inflation indexed, which is encouraging.

Meanwhile, the company is increasing its footprint in high-growth markets and has identified \$2 billion in developmental projects. It has also boosted its financial position by issuing public offerings and selling non-core assets. So, I believe NorthWest Healthcare's dividend is safe. With a monthly dividend of \$0.0667/share, its forward yield stands at an attractive 6.32%.

Meanwhile, amid the recent pullback, NorthWest Healthcare's [price-to-earnings](#) multiple has declined to 7.3, making it an attractive buy.

Pizza Pizza Royalty

With a juicy dividend yield of 6.41%, **Pizza Pizza Royalty** ([TSX:PZA](#)) is my second pick. The owner of Pizza Pizza and Pizza 73 brands has returned over 8% this year, beating the broader equity markets. However, its valuation still looks attractive, with its NTM price-to-earnings multiple standing at 15.4.

Pizza Pizza Royalty's same-store sales are improving amid easing restrictions, reopening dining spaces, and improving economic activities. It has restarted its restaurant expansion program and expects to increase its restaurant count by 5% by the end of this year. Its investment in strengthening digital channels could boost its sales in the coming quarters. So, considering these factors, I believe

Pizza Pizza Royalty would be an excellent buy for income-seeking investors.

Keyera

Keyera ([TSX:KEY](#)) is a midstream oil company that operates primarily in Western Canada, servicing exploration and production companies. The company's cash flows are stable, thanks to its fee-for-service or take-or-pay contracts that cover 75% of its cash flows. Supported by its solid underlying business, the company's DCF/share has grown at a CAGR of 8% since 2008.

Meanwhile, Keyera is currently constructing KAPS Liquids Pipeline System, South Cheecham Sulphur Facilities, and KFS Storage Caverns 18 and expects to deliver them over the next 12 months. Given its growth prospects, Keyera's management expects its adjusted EBITDA to grow at a CAGR of 6-7% through 2025. So, I believe Keyera, which has been raising its dividend at a CAGR of 7% since 2008, is well positioned to maintain its dividend growth.

Meanwhile, the company pays monthly dividends, with its forward yield currently at 6%. Amid the recent weakness, its NTM price-to-earnings has declined to 15. So, considering its growth prospects, high dividend yield, and attractive valuation, I am bullish on Keyera.

TransAlta Renewables

TransAlta Renewables ([TSX:RNW](#)) has an economic interest in diverse power-producing facilities, with a total power-producing capacity of 2,968 megawatts. Its long-term agreements, with a weighted average contract life of around 12 years, shield its financials from volume and price fluctuations, thus delivering reliable cash flows.

Meanwhile, TransAlta Renewables also focuses on strategic acquisitions to drive growth. Since going public, the company has acquired assets worth \$3.4 billion, thus boosting its financials. Meanwhile, the company's uptrend could continue, given the growing transition towards renewable energy and its solid project pipeline.

Supported by its stable cash flows, TransAlta Renewables has increased its dividend at a CAGR of 3% since 2013. Meanwhile, its forward yield currently stands at a healthy 5.5%, making it an excellent buy.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:KEY (Keyera Corp.)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
3. TSX:PZA (Pizza Pizza Royalty Corp.)
4. TSX:RNW (TransAlta Renewables)

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