2 Canadian Dividend Stocks (With +9% Yields) You'll Regret Not Buying at These Prices

Description

Investors' concerns that high inflation and rapidly rising interest rates will badly hurt economic growth in the near term have driven a sharp stock market correction across sectors. At the start of 2022, growing macroeconomic concerns primarily affected high-growth stocks. While no one can precisely predict an economic downturn, fears of a looming recession have also driven the shares of many well-established high dividend-paying companies downward in the last few months.

Considering all that, it could be the right time for long-term investors to grab the opportunity, in my opinion, to buy some fundamentally strong dividend stocks at low prices before they start recovering. In this article, I'll highlight two of the best Canadian dividend stocks I find worth buying for the long term at current prices. Interestingly, both of these stocks offer outstanding dividend yields of more than 9% each right now.

Labrador Iron Ore Royalty stock

Labrador Iron Ore Royalty (TSX:LIF) is a Toronto-headquartered metal mining sector-focused investment firm with a market cap of $2 billion. Its stock has seen a 17.3% value erosion in 2022 to trade at $31.37 per share. At the current market price, this stock offers an outstanding dividend yield of around 11.4%, making it one of the most attractive investment options if you're looking for high-dividend-yielding stocks in Canada.

Labrador has about 15.1% stake in Iron Ore Company of Canada, which is operated by one of the world's largest metal miners **Rio Tinto**. A recent downward trend in Labrador's share prices could be attributed to the ongoing correction across commodity prices amid a dimming short-term economic outlook. Nonetheless, many experts remain bullish about iron ore demand in the medium to long term, as it's primarily used in making steel. That's why you could expect Labrador Iron Ore stock to stage a strong recovery in the long run and help you earn good returns on your investments apart from the passive income through its dividends.

Interestingly, Labrador recently announced an 11% increase in its third-quarter dividends, reflecting the company's focus on delivering value to its investors despite industry-wide challenges.

Corus Entertainment stock

Corus Entertainment (TSX:CJR.B) could be another great Canadian dividend stock to bet on right now. Shares of this Canadian media and content company have fallen sharply by about 47% year to date trade at $2.58 per share. At this market price, Corus stock has a very attractive dividend yield of around 9.3%.

In the May quarter, Corus Entertainment's revenue grew positively by 7.6% from a year ago to $433.5 million, marking its fifth consecutive quarter of year-over-year revenue gains. However, continued global supply chain issues are continuing to hurt the advertising demand and spending, which is likely to affect its financial growth trends in the near term.

During this difficult macroeconomic environment, the company's management is focusing on expanding its digital business by growing its streaming product offerings. These efforts are likely to make Corus Entertainment's long-term financial growth outlook brighter and help this Canadian dividend stock recover.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:LIF (Labrador Iron Ore Royalty Corporation)

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