3 Incredibly Cheap Dividend Stocks

Description

The Canadian stock market has seen a sharp correction lately due mainly to growing macroeconomic concerns amid high inflation and rising interest rates. Fears of a looming recession have driven the **TSX Composite Index** down by more than 15% in the last six months. While high-growth stocks have been the biggest victims of the recent market pullback, many quality dividend stocks have also seen a sharp decline in their share prices, making them look cheap.

In this article, I'll highlight three cheap Canadian dividend stocks you can buy right now to hold for the long term.

Artis REIT stock

Artis Real Estate Investment Trust (TSX:AX.UN) is the first one on my list of cheap Canadian stocks to buy now. It's a Winnipeg-based, closed-end REIT with a market cap of $1.1 billion, as its stock currently trades at $9.29 per share with about 22% year-to-date losses. Artis has a well-diversified portfolio of real estate assets in Canada and the United States, including retail properties, industrial spaces, and offices. At the current market price, it has an attractive dividend yield of 6.5%.

In 2020, COVID-19 pandemic-related restrictions on physical activity badly affected Artis's business growth, leading to a sharp 97.2% year-over-year drop in its adjusted earnings. Nonetheless, the company staged a massive financial recovery the next year, as its 2021 adjusted earnings jumped to $2.86 per share, even significantly higher than its earnings of $0.72 per share in the pre-pandemic year 2019. You can expect its financial growth trend to strengthen further in the long run, as the company continues to focus on expanding its asset base.

Corus Entertainment stock

Corus Entertainment (TSX:CJR.B) has been one of the most beaten-down Canadian dividend stocks this year. This Toronto-based media and content firm has a market cap of $451.7 million, as its stock trades with a massive 52% year-to-date loss at $2.28 per share. At this price, its stock offers an outstanding 10.5% dividend yield.

In the last five years, between 2016 and 2021, Corus Entertainment's revenue increased by nearly 31.8%. While its earnings in recent quarters have been badly affected by factors like inflationary pressures and reduced advertising spending, its long-term growth outlook remains strong, as the company continues to work on quality original content. And that is one of the key reasons why I find its stock worth buying right now if you can hold it for the next 10 to 20 years.

Whitecap Resources stock

Whitecap Resources (TSX:WCP) could be another fundamentally strong dividend stock to consider now. It's a Calgary-based oil and gas producer with a market cap of $6.2 billion. While WCP stock currently trades with nearly 38% year-to-date gains at $10.10 per share, it has seen more than 8% value erosion in the last six months, making its stock undervalued to buy for the long term. At the current market price, it offers a decent dividend yield of 4.4%.

To give you an idea about its strong financial growth trends, Whitecap's total revenue jumped by 178% in four years between 2017 and 2021. Similarly, its adjusted earnings have jumped by 392% during the same four-year period. Overall, the company's significant free funds flows, robust balance sheet, and strong resource growth potential make its stock worth buying on the dip.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:AX.UN (Artis Real Estate Investment Trust)
2. TSX:CJR.B (Corus Entertainment Inc.)
3. TSX:WCP (Whitecap Resources Inc.)

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jparashar