



1 Oversold Dividend Stock (Yielding 6%) to Buy Before the New Year

Description

The New Year is fast approaching, but rather than many of us thinking it's going to be a time of renewal, we're terrified. Economists continue to tell us that a recession is coming. While it might not be as bad as the Great Recession, it could last until mid-2023. That's still a long time considering what we've already been through.

Still, it also doesn't mean investors should start panicking — especially when it comes to investing cash they've put aside to invest in the first place. The goal of investing should be to create long-term income. With that in mind, there's actually one oversold dividend stock I would consider buying before the end of 2022 is up.

BCE stock

BCE ([TSX:BCE](#)) is a strong choice for anyone looking to find a long-term option for their portfolio. Whether it's your retirement savings, wedding planning, or buying a home, any goal can be met by choosing BCE stock as one of your investment options — especially right now.

BCE stock is a dividend stock that's currently in oversold territory. However, it really doesn't deserve that low share price. The main reason for a recent drop actually comes from competitor **Rogers**. The company announced that it's more likely than ever to go through with the acquisitions of **Shaw**.

Even still, this really has nothing to do with BCE stock and its performance. And until the ink is dry on the deal, BCE stock is still the largest of the [telecommunications](#) companies out there. But there's more reasons to buy BCE stock.

So cheap!

BCE stock currently trades at a Relative Strength Index (RSI) figure of 29 as of writing. That puts it just within oversold territory. It now trades near value territory at just 19.48 times earnings and three times book value. Plus, shares are now down 3.7% year to date. That's a drop to get in on, especially

considering long-term performance.

BCE stock is a [dividend stock](#) that's seen immense growth in the last few decades. After the dot-com bubble burst, BCE stock has been on a strong trajectory upwards since that time. Shares are up 138% in the last decade alone, boasting a compound annual growth rate (CAGR) of 9.03% for that time.

So much passive income

With these cheap rates in mind, you can also lock up a massive amount of passive income from this dividend stock. BCE stock currently holds a dividend yield at 5.96%. That comes to \$3.68 per share as of writing, with shares trading at about \$60 as of writing.

So, let's say you had \$5,000 you wanted to use to contribute before the end of 2023. I would take that cash and put it towards BCE stock. Here is how much passive income you could receive from that investment.

COMPANY	RECENT PRICE	NUMBER OF SHARES	DIVIDEND	TOTAL PAYOUT	FREQUENCY
BCE	\$60	83	\$3.68	\$305.44	quarterly

Investing now would give you \$305.44 per year, or \$76.36 per quarter. That's without shares rising a penny! However, should your shares rise to former 52-week highs, that \$5,000 would turn into \$6,149.47. If we add in your passive income from dividends, that's a total of \$6,454.91!

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:BCE (BCE Inc.)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

PP NOTIFY USER

1. alegatewolfe
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/07/19

Date Created

2022/12/16

Author

alegatewolfe

default watermark

default watermark