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Canadian Economy Seizing Up? Ease Your Worries With These 5 Dividend Stocks

Description

The Liberal government provided an update on the Canadian economy and budget on October 24. The government was pleased to report an additional $46.6 billion in available spending over the next five years due to better-than-expected economic growth. The government also trimmed its deficit projection by an impressive $7 billion.

Still, experts and analysts expect the Canadian economy to slow in the latter months of 2017. With the S&P/TSX Index up 5.1% over a three-month span as of close on October 24, it may be wise to take profits or at the very least rebalance into dividend-yielding stocks.

Let's look at five great options today.

Canadian Utilities Limited (TSX:CU) boasts global assets in utilities, power generation, and global energy services enterprises. The utility has delivered 45 consecutive years of dividend growth and offers a dividend of $0.36 per share, representing a 3.6% yield. Shares have increased 9.3% in 2017 and 6% year over year.

Hydro One Ltd. (TSX:H) is a regulated utility that operates in Ontario. It will soon service consumers in the United States with the closure of its $6.7 billion acquisition of **Avista Corp.** The stock has not performed well in 2017, dropping 4.8% as of close on October 24. However, its wide economic moat and solid dividend makes it an attractive choice for investors seeking income. The stock offers a dividend of $0.22 per share with a 3.9% dividend yield.

High Liner Foods Inc. (TSX:HLF) packages and sells seafood to restaurants and other entities under a variety of labels. The company released its second-quarter results on August 14. It posted an $8 million increase in sales to $232.4 million. High Liner experienced a setback pertaining to a significant product recall that resulted in $0.7 million in estimated losses. Its adjusted net income was down $2.4 million to $6.1 million in the quarter. The stock boasts a 4% dividend yield and has delivered nine straight years of dividend growth.

Snc-Lavalin Group Inc. (TSX:SNC) is a Montreal-based engineering and construction company that services a broad range of sectors. The stock is down 0.95% in 2017 but is up 7.4% year over year. In its second-quarter results, the company saw its net income climb to $136.4 million, or $0.91 per diluted share, compared to $88.5 million, or $0.59 per diluted share, in Q2 2016. Along with a 16-year dividend-growth streak, it also offers a 1.9% dividend yield.

Domtar Corp. (TSX:UFS)(NYSE:UFS) is based in Montreal and is the largest integrated producer of freesheet paper in North America. A wide economic moat along with seven consecutive years of dividend growth make Domtar an attractive target for income investors. It offers a dividend of $0.52 per share with a 3.7% dividend yield. Domtar has seen productivity jump in 2017, which should offset the expected rise in raw material costs.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:ATRL (SNC-Lavalin Group)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:H (Hydro One Limited)
4. TSX:HLF (High Liner Foods Incorporated)
5. TSX:UFS (Domtar Corporation)

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