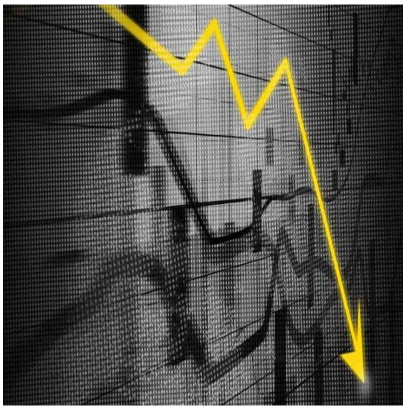

Worried About a Potential Recession? Scoop Up These 3 Dividend Stocks Today

Description

It has been roughly a decade since the height of the most devastating financial crisis since the Great Depression. The past 10 years have ushered in one of the longest bull runs in history, but the recovery itself has been relatively weak in comparison to years past. Last year was a period of great strength for the global economy, but the ratcheting up of trade tensions has change the investment picture.

The aging bull market and an ongoing trade war has prompted some economists in the United States to predict a recession before the 2020 election. A report from **Toronto-Dominion Bank** recently predicted that the imposition of auto tariffs could plunge Canada into an economic crisis not unlike the oil shock of 2014-2015. It could also be as severe as the crisis that bookended the previous decade.

Many investors may be concerned about some of these factors sparking a downturn in the coming years. Today, we are going to look at three dividend stocks that could be attractive holds in the event of an economic pullback.

Corby Spirit and Wine Ltd. (TSX:CSW.A)

Corby Spirit and Wine has seen its stock fall 10% in 2018 as of late morning trading on July 9. Shares are down 1.1% year over year. The alcohol industry is often viewed as being recession-proof, but how much truth is there to this perception?

In 2008, the United States saw revenue from liquor supplies rise 2.8% to $18.7 billion. The industry has posted solid growth over the past decade, but sales still softened during the difficult periods in 2008-2009. Compared to other industries, alcohol remains robust during turbulent economic periods.

Corby Spirit and Wine boasts a quarterly dividend of $0.22 per share, representing a 4.1% dividend yield.

Andrew Peller Ltd. (TSX:ADW.A)

Andrew Peller is an Ontario wine-producing company. Shares of Andrew Peller have climbed 9.9% as of late morning trading on July 9. The stock is up over 50% from the prior year.

The alcohol industry has historically been resilient during periods of recession, but trends have shifted over the past decade. Fortunately for Andrew Peller, these changes have been positive. Wine has become the favoured alcoholic beverage for millennials — now the most populous demographic in North America. The Canadian Vintners Association released a study in 2017 that reported the wine industry has upped its market share by 33% from 2011 to 2015.

Andrew Peller saw sales rise 6.2% in fiscal 2018 and adjusted EBITDA climb 23.7% to $57.2 million. The stock offers a quarterly dividend of $0.045 per share.

Cineplex Inc. (TSX:CGX)

Movie theatres have faced a number of challenges since the financial crisis, but many of these issues have emerged in recent years due to the threat presented by the rise of streaming services. The cinema was fairly robust at the end of the previous decade, and 2009 produced the biggest box office performance in history in the form of *Avatar*. It also saw the emergence of a trend towards 3D, which saw consumers more than willing to fork over more cash for a different experience.

Cineplex stock has plunged 19.5% in 2018 so far. The stock is down over 40% year over year. Investors will hope to see a better haul in comparison to the poor summer for cinemas in 2017. Cineplex offers an attractive quarterly dividend of $0.145 per share, representing a 5.6% dividend yield.

CATEGORY

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2. TSX:CGX (Cineplex Inc.)
3. TSX:CSW.A (Corby Spirit and Wine Limited)

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Date
2025/07/26
Date Created
2018/07/09
Author
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