
# Retreat to Safety and Buy These 4 Dividend Stocks

## Description

Volatility returned to global markets last week and hit the TSX index hard. This represented the second sell-off in 2018 after global stocks were hit in late January and early February. It may come as no consolation for investors after a tepid year so far on the TSX, but the return to risk will bring opportunity.



However, other investors may have security on their minds. Safe havens like gold and silver are one contrarian bet, but today we are going to focus on investors who would rather go on the defensive and stock up on income-yielding equities. Those with a shorter outlook may also be driven to dividend stocks or even more conservative vehicles as the recovery cycle appears to be reaching maturity.

Let’s look at four stocks investors seeking stability can scoop up today.

**Canadian Utilities** (TSX:CU)

Canadian Utilities stock has dropped 21.8% in 2018 as of close on October 15. The utilities sector has struggled throughout the year as rate tightening has put pressure on income vehicles that have thrived since the financial crisis. However, rates remain historically low, and the Bank of Canada has hinted at letting its foot off the gas as high indebtedness remains a major concern.

Canadian Utilities is expected to release its third-quarter results on October 25. Currently, the stock offers a quarterly dividend of $0.3933 per share, representing a 5.2% dividend yield. The company has achieved 46 consecutive years of dividend growth.

**Canadian Western Bank** (TSX:CWB)

Canadian Western Bank has managed to climb 2.9% over the past week as of close on October 15. Shares are still down 14% in 2018 so far. In the third quarter Canadian Western saw revenue rise 12% year over year to $205 million and adjusted earnings per share climbed 9% to $0.75. The bank declared a dividend increase of 8% to $0.26 per share. This represents a 2.9% dividend yield. Canadian Western has achieved dividend growth for 26 consecutive years.

**Empire Company** (TSX:EMP.A)

Empire Company stock has plunged 13.4% over the past three months. Shares are still up 1.7% year over year. The company released its second-quarter results on September 13.

Empire reported adjusted earnings per share of $0.37 compared to $0.32 in the prior year. The company also posted same-store food sales growth of 1.8%. Empire announced the acquisition of Farm Boy in late September and plans to “turbocharge” growth going forward. The board of directors announced a quarterly dividend of $0.11 in the second quarter, which represents a modest 1.8% dividend yield. Empire Company has reported dividend growth for 23 consecutive years.

**Enbridge** (TSX:ENB)(NYSE:ENB)

Enbridge stock has dropped 3.8% over the past week. Shares are down 14.6% in 2018 but have mostly stabilized since the first major sell-off in 2018. Enbridge scored a big victory by winning regulatory approval in Minnesota for its Line 3 replacement project. Its third-quarter report is expected in early November. Enbridge offers a tasty dividend of $0.671 per share, representing a 6.2% dividend yield. The company has delivered dividend growth for 22 straight years.



**CATEGORY**

1. Investing

**TICKERS GLOBAL**

1. NYSE:ENB (Enbridge Inc.)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:CWB (Canadian Western Bank)
4. TSX:EMP.A (Empire Company Limited)
5. TSX:ENB (Enbridge Inc.)

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