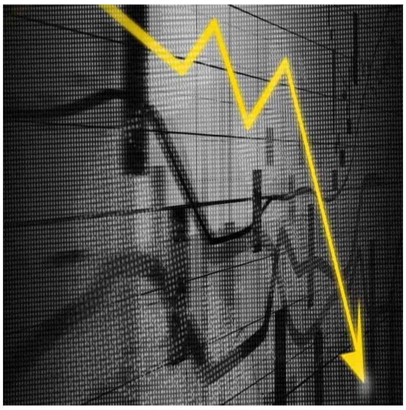

Beat Market Volatility With These 2 Steady Dividend Stocks

Description

If you are tired of this volatile market, with stocks bouncing up and down with seemingly no rhyme or reason behind it, maybe you want to consider stocks that are more stable — stocks that have long-term secular trends backing them and solid dividend yields that provide investors with security and monthly income.

There are two stocks that are beneficiaries of the aging population and tied to the healthcare sector.

As we know, society is facing a rapidly aging population, and as the baby boomers are now between the ages of 54 and 72 years old, we continue to see big demand in products and services for this stage of life.

According to census numbers, the percentage of Canadians that are above the age of 65 is fast approaching 20%. This number has been steadily rising and just five years ago was closer to 15%.

Consider the following two dividend stocks that have strong long- and short-term fundamentals, little economic sensitivity, and definite staying power.

Northwest Healthcare Properties REIT (TSX:NWH.UN)

With a current dividend yield of 7.55%, Northwest represents a good opportunity.

The company offers a high-quality, global, diversified portfolio of healthcare real estate properties located throughout Canada, Brazil, Germany, Australia, and New Zealand. As such, Northwest stock offers investors exposure to the biggest demographic shift that much of the developed world is facing.

Latest results showed strong net operating income growth of 4% on a constant-currency basis — a small decline due to the strengthening of the Canadian dollar.

The one headwind that the company is facing is that rising interest rates will be problematic for its highly levered balance sheet. But healthcare properties generally have stable occupancies and long-term leases, which make the underlying REIT a defensive one that is attractive for long-term investors.

Chartwell Retirement Residences (TSX:CSH.UN)

Chartwell, the largest provider and owner of senior-housing communities from independent living to long-term care, has been benefiting from rising occupancy levels, as an uptick in demand has been accompanied by a stagnant supply of seniors' housing.

With a 3.99% dividend yield, four consecutive years of cash distribution increases, and a quality portfolio of properties, Chartwell is a solid investment that is well positioned for the future.

In its latest quarter, Chartwell reported a 6% increase in fund from operations, but the real story here is the long-term trend, as a doubling of people over the age of 75 in the next 20 years will provide a big boost to demand.

Going forward, the company has a strong pipeline of opportunities to expand its portfolio of senior-housing developments as well as a plethora of opportunities to continue to expand its support services that are offered in-house.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CSH.UN (Chartwell Retirement Residences)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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