Attention Millenials: 2 Dividend Stocks to Grow Your Wealth

Description

When it comes to investing, uncertainty isn't desirable at any time. But these days, in a market that is increasingly jittery and risk averse, uncertainty has been the kiss of death.

That said, millennials are among those investors that have the time and patience to wait it out. To capture a stock that has long-term value when it is in the throes of uncertainty, thereby buying it at a very compelling price.

Now utilities aren't what we normally think of when we think of uncertainty, but **AltaGas Ltd**. (TSX:ALA) has changed this with its acquisition of WGL in the U.S. and the uncertainties related to its closing and financing.

But that is all history ….. mostly.

The deal has closed, a new CEO with plenty of experience in the U.S. natural gas industry was named, divestitures are progressing, and the company is prepared to tackle its heavily indebted balance sheet.

The one last issue that is still outstanding is the dividend potentially being cut.

AltaGas stock is trading at half of beginning of the year levels with a dividend yield of almost 15%.

Pretty telling.

We are awaiting the company's official strategic and dividend plan, which should be forthcoming this year.

What we do know is that with the IPO of AltaGas Canada Inc., which is 45% owned by AltaGas and consists of Canadian regulated natural gas utility and renewable power assets, this leaves AltaGas to focus on gas and US utilities.

WGL's high-quality assets and market position should bring AltaGas many growth opportunities as well as significant earnings and cash flow accretion

Enbridge Inc. (TSX:ENB)(NYSE:ENB)

With a dividend yield of 6.29%, and a stable and reliable history, Enbridge is a utility stock for RRSP investors who are looking for stability, reliability, capital preservation, and income.

But the stock is down 20% year-to-date, probably mostly related to interest rates rising.

Since 1996, investors have enjoyed 22 years of dividend increases, with a 33% dividend increase in 2015, a 14% increase in 2016, and a 15% increase in 2017.

And management expects the dividend to increase at a 10% compound average growth rate from 2017 to 2024.

This will be supported by organic growth opportunities, such as the Spruce Ridge gas pipe expansion in B.C., and continued streamlining of the business to achieve $540 million in cost synergies and $240 million in tax synergies related to the Spectra Energy merger in February 2017.

The key is that this growth will be achieved through the company's low-risk business model.

And longer term, the Spectra Energy acquisition affords Enbridge with greater scale and diversity, strengthens the company's balance sheet and funding flexibility, and provides attractive synergies.

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