3 Great TSX Stocks for Low-Risk Investors

Description

Are you a low-risk investor who wants to achieve decent returns without volatility?

If so, you might have a hard time finding stocks that pass the test. Although conventional wisdom says that low-beta stocks are safe bets, all it takes is a terrible news item to turn a "safe bet" into a nosediving liability. If you don't believe me, just look at **Kraft Heinz.**

If you want to find a stock that will outperform without a lot of risk, you've got your work cut out for you. That said, it's not impossible. When you keep your eye trained on under-the-radar stocks that deliver steady, if not stellar returns, you can pick reliable long-term winners. If you're not sure where to start, the following three TSX stocks may be worth researching.

Restaurant Brands International (TSX:QSR)(NYSE:QSR)

Restaurant Brands International is Canada's largest fast-food company. It was formed by the merger of Tim Hortons and Burger King, and thanks to a recent acquisition, it now owns Popeyes Louisiana Kitchen as well. Restaurant Brands is growing by less than 10% a year, but its moderate growth pace is steady and dependable.

On the topic of growth, this stock saw a serious dividend hike this year, when management upped the payout by 145%. Now that its payout ratio is getting high, it's unlikely that this stock's dividend growth will continue like that in the future. Nevertheless, Restaurant Brands remains a safe, income-producing bet.

Emera (TSX:EMA)

Emera is one of Canada's largest utility companies. Like any utility, it will tend to do well in bear markets, as investors flock to safe stocks with steady income streams. Also like other utilities, it has quite a bit of debt, which sits at $14 billion as of year end 2018. However, that $14 billion in debt is counterbalanced by $32 billion in assets, resulting in a healthy chunk of shareholder equity. Emera is also a great dividend stock, with a 4.65% yield at the moment.

Metro (TSX:MU)

Metro is a grocery store chain that operates mainly in Ontario. It doesn’t have the same reach as the two big national chains, but it’s much better than either of them in terms of growth. In its most recent quarter, it grew earnings by 27% year over year. In that same quarter, it suffered a big decline in GAAP diluted EPS; however, adjusted diluted EPS was up 21%. The GAAP earnings decline was related to the disposal of investments, so these losses shouldn’t recur into the future.

The company’s long-term profit growth is solid, with earnings having risen from $506 million to $1.7 billion in four years. The stock also offers a dividend for you to chew on, with a yield of about 1.45% as of this writing.

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