



## In a Dangerous Market, Buy This 1 TFSA Super-Stock

### Description

Global markets are relieved that the U.S. and China were able to reach a phase-one trade deal. With the breakthrough, world economies can return to normalcy. The **Toronto Stock Exchange** (TSX) recorded intraday day highs to end higher on December 12, 2019.

Crude oil prices also hit their highest levels in nearly three months due to the partial truce between the world's two largest economies.

Investors are happy because it signals the continuation of the bull market. The economic complexion, however, can drastically change at any time — and the market can be dangerous.

### Protection against market uncertainty

You can [shield yourself from market uncertainty and protect your investment](#) with one TFSA super-stock. **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)), a \$24.9 billion Canadian regulated utility company, offers stability, growth, and safety regardless of the market environment.

The diversified regulated-utility asset base of Fortis is the primary reason why this stock deserves to be in your TFSA. For 45 years now, the company has delivered consistent earnings growth. Long-time investors were steady dividends. Notably, the dividend growth rate (DGR) over the last five years was 6.83%.

### Core investment thesis

The business model of Fortis counts as among the most stable due to the regulated and long-term contracted operations — nearly 100% of earnings come from them.

In addition, these contracts have built-in provisions to insulate Fortis against commodity price swings. It assures stable, growing cash flows for continuous growth.

Fortis operates in Canada, the United States, and the Caribbean. With an \$18.3 billion budget for capital projects through 2024, the company is in a position to maintain the dividend growth rate in the next few years. Its investment projects are ably supported by Fortis' investment-grade balance sheet.

## Steady growth

Aside from stability, Fortis continues to grow and reap success from strategic acquisitions and organic projects. The company is constantly eyeing growth opportunities across the portfolio. As the utility industry consolidates, expect it to make more acquisitions.

## Dividend safety

For a dividend stock to be suitable within your TFSA, the business should be more stable as well as predictable. You can find these qualities in Fortis.

The current capital program should drive the rate-based growth and help the company achieve its goal of raising the dividend by not less than 6% annually through 2023.

Had you invested \$10,000 in this utility stock two decades ago, your money would be worth \$143,747.30 today — a fantastic total return of 1,336.58%, including the dividends reinvested. The current yield of 3.58% is modest.

## Secure nature

Your investment portfolio should contain a blue-chip stock to guard against a dangerous market. Fortis is a TFSA super-stock because of its secure nature. You can elect not to seek the safety of bonds during market declines. This utility characteristic of this utility stock is bond-like.

Historically, Fortis has shown its ability to generate growth in long-term investment vehicles like the TFSA. More important, and aside from the uninterrupted dividend payments, you have protection against the adverse effects of inflation.

As you rebalance or [add stability to your 2020 stock portfolio](#) within the TFSA, think of the supreme benefits that Fortis is offering – stability, growth, and safety in one stock.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. TSX:FTS (Fortis Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
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