



## 2 Safe Dividend Stocks to Invest in During the Market Crash

### Description

The coronavirus pandemic has led to a [market crash in Canada](#), and share prices across the **Toronto Stock Exchange** are falling. Income investors who rely heavily on dividends from their investments are scrambling as companies start slashing shareholders' payouts.

Holding on to shares of dividend-paying companies seems riskier as the pandemic-fueled recession continues. Still, there are some safe bets for you to park your capital that will pay you dividends.

I am going to discuss a stock each from the utility sector and an essential service provider. You can expect the two stocks to continue paying dividends through the market crash because of the nature of the business. It can help you earn cash and bolster your capital at a time where most investors are only losing money.

### Fortified utility stock

**Fortis Inc.** ([TSX:FTS](#))([NYSE:FTS](#)) is a stock I would recommend for any kind of investment portfolio. I have the same opinion about this stock during an economic recession. Fortis is a reliable dividend stock that you can hold during the current market volatility.

The company operates in Canada's utility sector. Utility providers have an immense responsibility to ensure that their customers get their electricity and gas supply through thick or thin. Due to the nature of its business, Fortis can rely on a stable revenue through the crash.

Fortis caters to over three million customers across North America. It has 10 operations that include regulated electric and gas services, electricity transmission services, and electricity-generating assets. Almost all of its services are regulated, and it enjoys a monopoly in areas where it operates.

At writing, Fortis is trading for \$51.52 per share. The stock briefly went down by 28% from its February 2020 peak. Since then, Fortis has recovered 22% of its share price. It pays reliable dividends at a reasonable 3.71%, which it is unlikely to cut during the recession due to a healthy balance sheet.

## Waste not, want not

I don't think many people even consider it, but **Waste Connections Inc.** ([TSX:WCN](#))([NYSE:WCN](#)) is another solid stock to consider for a market crash. Whether the economy is booming or coming to a grinding halt, garbage and disposal services will remain relevant. No matter how bad things get, the waste business needs to continue its operations.

Waste Connections remains a safe dividend stock because people need the company's services in a time where most businesses are indefinitely closed. Waste Connections will likely see a decline in its revenue since its industrial and commercial clients are not running their businesses. Still, its residential clients will require waste management.

The company reported \$1.54 billion in operating cash flow for fiscal 2019. It used the excess cash for \$400 million in acquisitions in 2019. It has planned \$500 million in acquisitions planned for 2020. While the recession might slow down its growth, the stock is likely to earn a substantial revenue.

Waste Connections is down 22.08% at writing with the stock trading for \$108.13 per share. It does not offer you a juicy amount in terms of dividends, but it has a reliable 0.91% dividend yield. It also has a respectable dividend growth streak of nine years.

## Foolish takeaway

There is no telling how long it will take for the pandemic to diminish and the [economies to recover](#). In uncertain times, a bit of stability and reliability counts for a lot. Fortis is a long-time favourite stock for many investors due to its reliable dividends and the essential nature of its business. It also has a decent dividend yield to help you earn passive income on your investment.

Waste Connections might not have a terrific dividend yield, but it is a stock that offers reliability and an excellent dividend growth streak.

Assets like Fortis and Waste Connections can help you earn reliable passive income and protect your capital during the recession.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. NYSE:WCN (Waste Connections)
3. TSX:FTS (Fortis Inc.)
4. TSX:WCN (Waste Connections)

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