



2 Dividend Heavyweights That Will Outlast COVID-19

Description

The pandemic is distressing to investors, because the stock market is frequently on edge, despite the incredible rally from the March 2020 selloff. Even if analysts sound like a broken record about the [coming of another crash](#), no one can predict when it will happen.

If you don't want to sit on pins and needles throughout the pandemic, take control. Seek the safety of **AltaGas** ([TSX:ALA](#)) and **Savaria** ([TSX:SIS](#)). Both stocks are [dividend heavyweights](#) in the sense that you will not only earn money in your sleep, but the businesses will outlast COVID-19.

Resilient with durable value

The oil and gas industry has taken a severe beating in 2020 to become a danger zone. Investors pass up on AltaGas because it belongs in a risky sector, especially with its midstream operations. However, its midstream department is not even its bread and butter, accounting for only 30% of total revenues.

AltaGas remains stable amid the strong headwinds on account of its utility business that owns and operates natural gas distributions across North America. The bulk of it, roughly 70%, are regulated utilities in the United States. Hence, earnings should be safe and stable for years. Throw in its excellent hydro and other income-generating infrastructure for good measure.

This \$4.81 billion company pays a lucrative 5.55% dividend. Management is projecting a 10% growth in the next five years. Its Ridley Island Propane Export Terminal, the first propane export facility in Canada, will be the main growth driver. AltaGas has a low-risk, high-growth business model that offers a resilient and durable value for would-be investors.

Leader in mobility solutions

Savaria is one of the steady performers in 2020. The industrial stock is gaining by 8.9% year to date and paying a respectable 3.25% dividend. This \$752.74 million company is ideal for a long-term hold, given its leadership role in the accessibility industry.

The key takeaway is that North America's ageing population will need more personal mobility solutions in the coming years. Adapted vehicles, stairlifts, commercial lifts, and even home elevators will be in great demand. Aside from the mobility products, the company also manufactures medical beds and therapeutic surfaces.

The manufacturing facilities are in North America, Europe, and China, and the dealers' network globally supports sales. In the first half of 2020, the accessibility segment contributed more than 70% of total revenue, while patient handling accounted for 24%. The U.S. market (58%) turned in the most sales followed by Canada (22%).

Savaria's product mix of mobility products and medical equipment makes it well positioned to address customers' increasing needs, particularly the global ageing population. The company is on track to maintain its 35% CAGR in the last five years. While competition is tough, Savaria is the superstar of the lot.

Cornerstones

Some businesses are not as resilient as utility services or personal mobility solutions. Investors should take a second look at AltaGas and Savaria. Both stocks can deliver long-term and recurring income streams. This pair of dividend heavyweights can be the cornerstones of your investment portfolio in the post-COVID era.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:SIS (Savaria Corporation)

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