



## 4 Safe Canadian Dividend Stocks to Buy Right Now

### Description

Amid reports of large-scale unwinding by Archegos Capital Management late last week after facing margin calls, global equity markets were down yesterday. Investors are worried about the ripple effect it could have on the broader equity markets. The rising COVID-19 cases are also weighing on the equity markets. So, amid the uncertain outlook, here are four safe dividend stocks you can buy right now to strengthen your portfolio.

### Fortis

**Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) operates a low-risk transmission and distribution service, providing electricity and natural gas to 3.3 million customers. With 83% of its revenue protected from regulated mechanisms, its earnings and cash flows are largely stable. These stable cash flows have allowed the company to raise its dividends for 47 consecutive years. Currently, the company pays quarterly dividends of \$0.505 per share, with its dividend yield standing at a healthy 3.7%.

Meanwhile, the company has [planned](#) to invest \$19.6 billion over the next five years, driving its rate base and earnings growth. Supported by these investments, Fortis's management hopes to raise its dividends at a CAGR of 6% during this period. So, [I believe Fortis is an excellent defensive bet.](#)

### Canadian Utilities

**Canadian Utilities** ([TSX:CU](#)) operates low-risk utility assets and is also involved in the power production and storage business. Meanwhile, the company sells over 80% of its power through long-term contracts, shielding its financials from price and volume fluctuations, thus delivering stable and predictable earnings and cash flows. These stable cash flows have allowed the company to raise its dividends for 49 consecutive years while offering a high yield of 5.1%.

Meanwhile, the company has planned to invest \$3.2 billion over the next three years, increasing its rate base and boosting its financials. Further, its focus on cost efficiencies, and Pioneer Pipeline's acquisition in September 2020 could also drive its earnings in the coming years. So, given its growth

prospects, I believe the company could continue raising its dividends.

## BCE

My third pick would be one of the three largest telecommunication service providers in Canada, **BCE** ([TSX:BCE](#))([NYSE:BCE](#)). With telecommunication service becoming essential in today's digitally connected world, BCE would be an excellent defensive bet. The improvement in economic activities amid the ongoing vaccination drive could boost its financials in the coming quarters.

Further, the company has planned to invest at least \$1 billion over the next two years to expand its broadband fibre and wireless networks. The management hopes to double its 5G coverage this year while adding 900,000 new fibre and wireless home internet connections. So, given its growth prospects and recession-proof business model, I believe its dividends are safe. BCE has announced to pay dividends of \$3.50 per share in 2021, with its dividend yield currently standing at an impressive 6%.

## NorthWest Healthcare

My final pick would be a real estate company, **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)), which acquires and manages healthcare properties across various countries. Thanks to its diversified and defensive portfolio, the company enjoys high occupancy and collection rate, delivering stable and predictable cash flows.

Meanwhile, most of its tenants have signed long-term agreements, with an average lease expiry of 14.5 years, thus reducing vacancies. Further, over 80% of its tenants are backed by government funding, which is encouraging. The company had recently raised approximately \$220 million through new equity offerings. It expects to utilize the proceeds to lower its debt and make new acquisitions. So, given its long-term agreements and new acquisitions, the company could continue raising its dividends in the coming years. Currently, NorthWest Healthcare pays monthly dividends of \$0.067 per share, with its forward dividend yield standing at 6.2%.

### CATEGORY

1. Dividend Stocks
2. Investing

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:FTS (Fortis Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:CU (Canadian Utilities Limited)
5. TSX:FTS (Fortis Inc.)
6. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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## **Date**

2025/08/23

## **Date Created**

2021/03/30

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