



## 4 Safe Dividend Stocks Worth Buying Right Now

### Description

Yesterday, the **S&P/TSX Composite Index** touched 20,000 for the first time before closing at 19,976.01, representing an increase of 14.5% for this year. However, the rising inflation and high valuation are still a cause of concern. So, investors could strengthen their portfolios by investing in these four fundamentally strong companies that pay dividends at healthier yields.

### Fortis

With regulated utility assets accounting for 99% of its assets, **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is one of the most stable companies on the **TSX**. It has delivered average total shareholder returns of around 13% over the last 20 years. The company has raised its dividends for the previous 47 years. Currently, it pays quarterly dividends of \$0.505 per share, with its forward dividend yield standing at 3.71%.

Meanwhile, the company plans to invest [\\$19.6 billion in regulated assets](#) between 2021 and 2025, growing its rate base at a compound annual growth rate (CAGR) of 6%. Along with rate base growth, the favourable price revision could boost the company's financials in the coming years. Besides, the company's financial position also looks healthy, with its cash and cash equivalents and unrealized credit facilities standing at \$317 million and \$4 billion, respectively.

### Algonquin Power & Utilities

Supported by its regulated utility assets and highly contracted renewable power business, **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) has delivered strong performance over the last few years. These strong performances have boosted the company's stock price by around 360% over the previous 10 years at a CAGR of 16.5%. Besides, the company has raised its dividends at a rate of over 10% in the last 11 years. Its dividend yield currently stands at a healthy 4.52%.

Meanwhile, the company continues to invest in growing its utility and renewable assets and has allocated \$9.4 billion for the next five years. Supported by these investments, the company's adjusted EPS could grow at a rate of 8-10% during this period. So, I believe [Algonquin Power & Utilities would be an excellent long-term bet](#)

for income-seeking investors.

## BCE

Third on my list would be **BCE** ([TSX:BCE](#))([NYSE:BCE](#)), which has a long history of paying dividends. Currently, the company pays quarterly dividends of \$0.875 per share, representing a healthy forward dividend yield of 5.8%. The demand for telecommunication services is rising in this digitally connected world.

Despite the pandemic, the company added 108,468 new connections in the March-ending quarter while generating a free cash flows of \$940 million.

Besides, BCE has invested \$1 billion during the quarter, expanding its broadband and 5G coverage. These investments and improvements in economic activities could boost its financials in the coming quarters.

Meanwhile, the company's management expects its revenue and adjusted EBITDA to grow in the range of 2-5% while generating free cash flows in the range of \$2.85 billion to \$3.2 billion. So, BCE's dividends are safe.

## NorthWest Healthcare

**NorthWest Healthcare** ([TSX:NWH.UN](#)) currently manages 186 healthcare properties across seven countries. Given its highly defensive and diversified portfolio, the company's occupancy and collection rate remain high. Besides, its inflation-indexed rent, government-backed tenants, and long-term contracts deliver stable earnings and cash flows, allowing the company to pay monthly dividends at a healthier yield. Currently, the company's forward dividend yield stands at a healthy 6.17%.

Further, NorthWest Healthcare looks to expand its footprint in Australia, the United States, and Western Europe. The company announced a proposal to acquire Australian Unity Healthcare Property Trust for \$2.6 billion on Monday.

It currently owns 62 hospitals and other healthcare facilities, with a weighted average lease expiry of 16 years. Besides, NorthWest Healthcare focuses on strengthening its balance sheet by deleveraging and disposing of its stake in the U.K. joint venture. So, its growth prospects look healthy.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:BCE (BCE Inc.)
3. NYSE:FTS (Fortis Inc.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)

5. TSX:BCE (BCE Inc.)
6. TSX:FTS (Fortis Inc.)
7. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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