



4 Top Dividend Stocks to Buy Amid Rising Volatility

Description

Supported by improving corporate earnings, expansionary monetary policies, and optimism over the reopening of economies worldwide, the Canadian equity markets have delivered stellar returns this year. However, rising inflation and higher valuations have led to volatility in the equity markets recently. So, if you are worried about rising volatility, here are four safe dividend stocks that can strengthen your portfolio while also delivering stable passive income.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) offers a full spectrum of midstream and marketing services through its integrated assets and commercial operations. Meanwhile, the company earns over 90% of its adjusted EBITDA from long-term or fee-based contracts, which has allowed the company to pay dividends uninterrupted since 1998. Currently, the company pays a monthly dividend of \$0.21 per share, with its forward dividend yield standing at 6.4%.

Meanwhile, rising oil demand could increase its asset utilization rate, while higher oil prices could drive its revenue from its marketing & new ventures segment. Further, Pembina Pipeline is also working on closing Inter Pipeline's acquisition, which could boost its cash flows. Meanwhile, Pembina Pipeline's management expects the acquisition to contribute \$0.01 to its monthly dividends. So, [Pembina Pipeline would be an excellent buy for income-seeking investors](#).

NorthWest Healthcare

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) is one of the safest stocks to have in your portfolio, given its highly diversified and defensive portfolio of healthcare properties. The company has signed long-term contracts with its tenants, which reduces its vacancies while improving the occupancy rate. Meanwhile, most of its tenants have government backing. So, the company enjoys a high collection rate.

The company had [raised around \\$200 million](#) earlier this month through new equity offerings. It plans

to utilize the proceeds to acquire four medical office buildings in the Netherlands and complete the Australian Unity Healthcare Property Trust's acquisition. These acquisitions could boost its earnings and cash flows, thus allowing it to pay dividends at a healthier rate. The company's forward dividend yield currently stands at an impressive 6.22%.

BCE

Ahead of the 5G revolution, I have picked **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) as my third pick. It is investing aggressively to expand its 5G coverage and broadband networks across the country. The company currently provides 5G services in 23 markets. Meanwhile, it expects to expand its service to cover 70% of the Canadian population by the end of this year.

Along with these initiatives, the increased demand for its services amid rising remote working and learning could boost BCE's financials and cash flows. Its financial position also looks healthy, with its liquidity standing at \$6.5 billion. So, I believe the company's dividends are safe. Currently, the company pays quarterly dividends of \$0.875 per share, with its forward yield standing at 5.76%.

Algonquin Power & Utilities

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) operates low-risk utility businesses and renewable power-generating facilities. Meanwhile, it sells the power generated from its facilities through long-term contracts, thus shielding its financials from price and volume fluctuations. Supported by these robust cash flows, the company has raised its dividend for 11 straight years at a CAGR of over 10%. Meanwhile, its forward dividend yield currently stands at a healthy 4.41%.

The company has planned to invest around \$9.4 billion over the next five years, which could deliver a double-digit growth rate in its rate base. The company has a pipeline of greenfield opportunities that could increase its power-generating capacity by 3.4 gigawatts. So, these initiatives could boost its cash flows, allowing the company to continue its dividend hikes.

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:PBA (Pembina Pipeline Corporation)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:BCE (BCE Inc.)
6. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
7. TSX:PPL (Pembina Pipeline Corporation)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date

2025/08/27

Date Created

2021/06/29

Author

rnanjapla

default watermark

default watermark