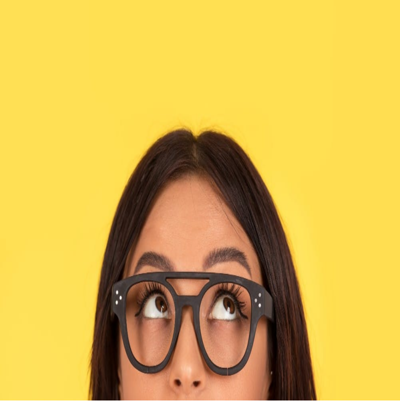

Fear the Evergrande Crisis? Invest in These 3 TSX Stocks Now!

Description

The expected collapse of China's debt-laden property giant **Evergrande** has taken a toll on the stock markets around the world. The fear of the contagion risk led to sharp selling in stocks across the globe. Rising cases of the Delta variant of coronavirus and fear of inflation are adding to investors' woes.

Given the current scenario and high level of uncertainty, the stock market could continue to remain volatile. Thus, it is prudent to add a few low-risk, dividend-paying stocks to your portfolio.

I have zeroed in on three TSX stocks that I believe have the potential to deliver consistent income to their shareholders, irrespective of the uncertainty and high volatility.

Algonquin Power & Utilities

Speaking of low-risk dividend stocks, let's begin with **Algonquin Power & Utilities** (TSX:AQN)(NYSE:AQN). The utility company has consistently increased its dividends at a CAGR of 10% in the last 11 years. Currently, Algonquin Power & Utilities offers a quarterly dividend of US$0.171 per share, translating into a healthy yield of about 4.4%.

Thanks to its high-quality regulated assets, long-term power-purchase agreements, and growth in rate base, I expect the company to continue to generate strong earnings and cash flows and, in turn, enhance its shareholders' returns through regular dividend payments. Further, its strategic acquisitions and opportunities in the renewable power business will likely support its future growth. Overall, its low-risk business, resilient cash flows, and good growth prospects make it an all-weather income stock.

Enbridge

Many of you would be surprised to see **Enbridge** (TSX:ENB)(NYSE:ENB) on this list. However, Enbridge's robust dividend-payment history indicates that it is one of the most reliable stocks to generate steady dividend income, irrespective of the volatility in the market. The energy infrastructure giant has been making dividend payments for the last 66 years and raised the dividend at a CAGR of 10% for 26 years, thanks to its diversified cash flow streams and contractual framework, which drive its distributable cash flow per share. Enbridge yields an impressive 6.7% at current price levels.

The recovery in its mainline volumes, rate escalation, and favourable energy outlook is likely to continue to support its financials and cash flows in the coming years. Furthermore, the momentum in the core business, opportunities in the renewable business, and strong secured capital program provide a solid base for future dividend growth.

Fortis

Fortis (TSX:FTS)(NYSE:FTS) is a must-have stock in your portfolio to navigate the volatility in the stock market with ease. The company will likely generate a steady income inflow of cash for its investors irrespective of economic cycles. Notably, Fortis has consistently increased its dividend payments for 47 consecutive years and has seen many crises. Furthermore, its ability to generate resilient cash flows suggests that it could continue to boost its shareholders' returns, irrespective of wild market swings.

Thanks to its regulated assets, I believe Fortis's payouts are very safe. Moreover, the company projects its annual dividend to increase by 6% through 2025, reflecting 6% growth in its rate base during the same period. Fortis's low-risk capital plan, growing rate base, and revenue-diversification initiatives provide a solid base for future growth. At current price levels, Fortis stock offers a yield of 3.5%.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks
4. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:FTS (Fortis Inc.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:ENB (Enbridge Inc.)
6. TSX:FTS (Fortis Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin

3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. kduncombe
2. snahata

Category

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks
4. Investing

Date
2025/08/25
Date Created
2021/09/21
Author
snahata