



## Got \$1,000? Buy These 4 Safe Canadian Stocks Amid Rising Volatility

### Description

Yesterday, the Canadian benchmark index, the **S&P/TSX Composite Index**, fell over 1.6%. The liquidity crisis at the Chinese property giant **Evergrande Group** and the concerns over its impact on the broader Chinese and global economy had dragged the index down. The rising COVID-19 cases, the expectation of tax hikes, and high inflation have also contributed to the volatility in the equity markets. So, amid the increasing volatility, investors can strengthen their portfolios by adding the following four stocks.

### Restaurant Brand International

**Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)), the owner of Burger King, Tim Hortons, and Popeyes brands, could be an excellent defensive bet, given its highly franchised business model. Also, it had reported a solid second-quarter performance, with its revenue and adjusted EPS increasing 37.2% and 133.3%, respectively. Its digital sales in the domestic market grew 60% on a year-over-year basis and 15% sequentially.

Meanwhile, easing restrictions and improving economic activities could drive Restaurant Brands's foot traffic in the coming quarters. Also, the continued investments to strengthen its digital and marketing capabilities could boost the company's financials. The company pays a quarterly dividend, with its forward yield standing at 2.68%. Despite its healthy growth prospects, the company is still trading close to its January 2020 levels. So, investors can accumulate the stock at these levels to earn superior returns.

### Waste Connections

Second on my list is **Waste Connections** ([TSX:WCN](#))([NYSE:WCN](#)), which is trading around 27% higher for this year. It collects, transfers, and disposes of non-hazardous waste in secondary or exclusive markets. So, given the essential nature of its business, the company delivers stable financials irrespective of economic cycles.

The easing of restrictions has increased economic activities, thus driving the demand for Waste Connections's services. Also, the recovery in energy demand could boost its revenue from the E&P vertical in the coming quarters. Apart from organic growth, Waste Connections also focuses on acquisitions to expand its geographical presence and strengthen its market share in specific markets. It has completed 16 acquisitions this year. Meanwhile, given its healthy liquidity position, it could continue with its future acquisitions. So, its growth prospects look healthy. Meanwhile, it has also rewarded its shareholders by increasing its dividend by over 10% every year for the last 10 years.

## Canadian Utilities

Another [safe bet is Canadian Utilities \(TSX:CU\)](#), which has raised its dividend for 49 consecutive years. It earns most of its earnings from the five low-risk utility businesses, thus delivering stable earnings and cash flows. These steady financials have allowed the company to raise its dividends consistently. Meanwhile, the reopening of the economy has been driving oil demand and its prices higher, which could benefit Canadian Utilities.

The company has also planned to invest \$3.2 billion over the next three years to expand its regulated and contracted assets. So, these investments and improvements in energy demand could drive its financials in the coming years, thus allowing the company to continue raising its dividends. Currently, the company [pays](#) a quarterly dividend of \$0.4398, with its forward yield standing at 5.07%.

## Telus

With rising digitization and growing work-from-home culture, the demand for telecommunication services is rising. So, I have picked **Telus (TSX:T)(NYSE:TU)**, one of three prominent players in the Canadian telecommunication space, as my final pick. The company is investing aggressively to expand its 5G and broadband services across the country. As of June 30, it provided 5G service to 36% of the Canadian population and is hopeful of expanding it to 70% by the end of this year.

Telus had recently acquired new licenses by investing around \$1.95 billion. Along with these investments, its growing customer base and high recurring revenue could boost its financials in the coming quarters. Notably, the company also pays quarterly dividends, with its forward yield standing at a healthy 4.43%.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. NYSE:TU (TELUS)
3. NYSE:WCN (Waste Connections)
4. TSX:CU (Canadian Utilities Limited)
5. TSX:QSR (Restaurant Brands International Inc.)

6. TSX:T (TELUS)
7. TSX:WCN (Waste Connections)

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#### **Date**

2025/08/22

#### **Date Created**

2021/09/21

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