



3 Stocks With Low-Risk, High-Growth Profiles

Description

The TSX sputtered in two of the last three trading sessions of last month. Nonetheless, the index remains in record territory after finishing at 21,037.10 on October 29, 2021. Volatility is ever present, despite the 5% improvement from a weak September and the 20.67% year-to-date gain.

Based on forecasts by the Bank of Canada, the annual inflation rate would be close to 5% by year-end 2021. However, it should hit its target of 2% by the end of 2022. Also, the central bank might hike interest rates sooner than later because of the ongoing supply chain disruptions and higher energy prices.

If a [market pullback](#) worries you, consider moving to safer grounds. **Emera** ([TSX:EMA](#)), **WELL Health Technologies** ([TSX:WELL](#)), and **Medical Facilities** ([TSX:DR](#)) are companies with low-risk, high-growth profiles. Their respective businesses should be stable in 2022 and beyond.

Dividend growth

Emera, which is in the utility sector, is resilient as ever amid the pandemic environment. The \$14.93 billion multinational energy holding company has seven regulated companies under its umbrella. The diversified portfolio and its highly regulated assets serve 2.5 million customers in six countries.

The Halifax-based company provides essential gas and electricity services under franchises, and, therefore, the business is enduring. Likewise, cash flows are stable because revenues come from cost-of-service, rate-regulated arrangements. In the first half of 2021, net income declined 56% to \$256 million versus the same period in 2020.

However, management said that without the market-to-market (MTM) losses, the top and bottom lines should have been higher. Still, Emera projects its rate base to grow between 7.5% and 8.5% through 2023. It should enable the company to [raise its dividend](#) by 4-5% through 2022. The share price is \$57.58, while the dividend yield is 4.6% if you invest today.

Fast-growing industry

WELL Health is an attractive investment prospect, given the [focus on people's health](#) these days. The \$1.35 billion owner and operator of outpatient health clinics seek to advance the digital modernization of Canada's healthcare system. It also provides electronic medical records (EMR) services to over 2,800 medical clinics.

WELL commits to meet the unprecedented demand for mental health services. Management reported a 72% organic increase in mental health visits in its primary care clinics in Q3 fiscal 2021. Hamed Shahbazi, WELL's founder and CEO, said, "The adoption of virtual mental health platforms will be a permanent and growing fixture of the healthcare system."

Now is an excellent opportunity to snag the healthcare stock (\$6.58 per share) while it's trading at a discount (-18.26% year to date). You'd be investing in a well-managed company in a fast-growing industry.

Unique business model

Medical Facilities has similarities with WELL Health, although the operations are in the United States. The \$287.42 million company operates high-quality surgical facilities with physicians as its investors and managers at the same time. The unique business model and management philosophy focus on the efficiency and productivity of the facilities.

The company's specialty surgical hospitals and ambulatory surgery centres are the next-best alternatives to traditionally run hospitals. Medical Facilities derives 100% of its revenue from facility fees charged to patients or their insurers. At \$9.24 per share (+34.84% year to date), the stock pays a decent 3.02% dividend.

Rough sailing ahead

November 2021 could be rough sailing for the stock market due to the rising inflation risks. However, investors can prepare and counter the risks by moving to safe assets.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:DR (Medical Facilities Corporation)
2. TSX:EMA (Emera Incorporated)
3. TSX:WELL (WELL Health Technologies Corp.)

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. cliew
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/08/14

Date Created

2021/11/06

Author

cliew

default watermark

default watermark