Too Late to Buy? 2 Stocks to Buy This Instant

Description

The pitfall of some investors is their delayed reaction towards market movements, if not corrections. Others procrastinate, even if buying opportunities are right before them. For Canadians seeking capital protection or to hedge against rising inflation, it's not too late to take positions in two defensive or recession-resistant dividend stocks.

Fortis (TSX:FTS)(NYSE:FTS) and **NorthWest Healthcare Properties** (TSX:NWH.UN) are solid investments in the pandemic environment. The former is the go-to stock when the going gets tough, while the latter is in the front and centre of the health crisis.

Soon-to-be Dividend King

You don't need to break a limb in choosing Fortis over other stocks when taking a defensive position. The $26.13 billion diversified regulated electric and gas utility company is close to achieving Dividend King status. This utility stock has a dividend-growth streak of 48 years, and therefore, it's two years shy of 50 consecutive years of dividend increases.

The most recent dividend increase announcement on September 29, 2021, was in line with management's guidance of 6% average annual dividend growth through 2025. Fortis is also a steady performer regardless of the market or economic environment. At $56.31 per share, the year-to-date gain is 12.39%, while the dividend yield is a decent 3.82%.

Furthermore, growing dividends should be the focus of investors right now. You can cope with inflation or compensate for the potential decrease in purchasing power during an inflationary period. The promise of higher dividends in the next four years is likewise not lip service.

Fortis has a new $20 billion five-year capital-investment plan (2022-2026) that includes an additional $1 billion capital investment in regulated utilities. The rate base will increase by 33.33%, from $31.2 billion in 2021 to $41.6 billion by 2026. After the plan's completion, Fortis will pursue additional energy infrastructure opportunities.

Management's ongoing concern is to enhance shareholder value by executing its capital plan, the balance and strength of its diversified portfolio of utility businesses. Fortis will capitalize on growth opportunities available within and close to its service territories.

Only REIT in the cure sector

NorthWest Healthcare rose to prominence during the health crisis. The $2.88 billion real estate investment trust (REIT) owns and operates hospitals, clinics, and medical office buildings. Besides Canada, the leased properties (190) are in Australia, Brazil, New Zealand, and Europe. It enjoys stable occupancies (97.2%) from long-term indexed leases (14.5 years weighted average lease expiry).

You can purchase the real estate stock at $13.22 per share (+10.42% year to date) and partake of the generous 5.97% dividend. Assuming you have $25,000 free cash to invest in NorthWest Healthcare, you can generate $1,492.50 in passive income. If you hold the stock in your Tax-Free Savings Account (TFSA), the earning is tax-free.

In Q3 2021, NorthWest reported another strong quarter and solid operating results. The net income growth versus Q3 2020 was 552.56%. Management's key strategic priorities are progressing this year. Its value-creation initiatives are plenty, and establishing or expanding relationships and partnerships with leading healthcare operators continue.

Must-own stocks

Fortis and NorthWest Healthcare Properties are must-own stocks. The respective businesses can overcome economic downturns. Invest now to calm your fears and not worry about the market uncertainties.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:FTS (Fortis Inc.)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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