



Market Crash 2022: 2 Dividend Stocks to Own if the Market Crashes

Description

No matter how experienced a stock market investor you are, it is impossible to predict when a market crash will happen. You can study the stock market's historical performance to gauge when a major downturn might be likely, but there is no way to be accurate in predicting when or even if that will happen.

Looking at the stock market's performance over the decades, equity markets decline by around 10% once a year, by 15% every other year, and by around 20% every four years. The onset of COVID-19 has shrugged aside that trend due to the constant volatility. The stock market has made massive upward strides, becoming increasingly expensive.

With the markets reaching new all-time highs and ending the year [on a volatile note](#), we don't know if we might see a market crash anytime soon. However, it is always a possibility that you should consider. If a market crash happens, you should remember to invest in high-quality, income-generating assets that can provide you with wealth growth through the downturn.

If you're [planning for a market correction](#) and are in search of dividend stocks, take a closer look at these two income-generating TSX stocks.

Fortis

Fortis (TSX:FTS)(NYSE:FTS) is a \$28.86 billion market capitalization utility holding company, and it is one of the safest dividend stocks to own during a market crash. Fortis stock is a Canadian Dividend Aristocrat with a 48-year dividend-growth streak.

The company generates its revenues through highly rate-regulated and long-term contracted assets, providing it with predictable cash flows. The company can use its stable revenues to fund its increasing shareholder dividends comfortably.

Fortis owns and operates 10 natural gas and electric utility businesses across Canada, Central America, the U.S., and the Caribbean, providing its services to around 3.4 million customers. The

necessary nature of its services virtually guarantees stable cash flows and safe returns for shareholders through its rising payouts. At writing, Fortis stock is trading for \$61.03 per share, and it boasts a 3.51% dividend yield.

Canadian National Railway

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) is a \$109.90 billion market capitalization freight railway company headquartered in Montreal. It boasts one of the most extensive railway networks in North America, spanning around 33,000 km throughout the continent.

When looking for dividend stocks to own during a market crash, you need to look for reliable businesses that can generate revenue, despite harsh economic environments. CN Railway is one such business.

CN Railway is the only railway with access to three coastlines in the continent, putting it in an advantaged position over most of its peers. The company hauls over \$250 billion worth of goods each year and plays a vital role in several industries through its services. While CN Railway stock offers very little in terms of capital gains, the stock compensates for it with its reliable shareholder dividends.

At writing, CN Railway stock is trading for \$155.38 per share, and it boasts a 1.58% dividend yield.

Foolish takeaway

Investing in companies that can continue generating steady cash flows during harsh operating environments is one of the best ways to use your savings during a market crash. Investing in [reliable dividend stocks](#) could be an ideal way for you to achieve wealth growth during market downturns while mitigating the impact on your investment capital.

Fortis stock and CN Railway stock could be excellent additions to your investment portfolio for this purpose. Both businesses generate strong cash flows regardless of what's happening in the broader market and offer you growing shareholder dividends that can even help you keep pace with inflation.

CATEGORY

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3. TSX:CNR (Canadian National Railway Company)
4. TSX:FTS (Fortis Inc.)

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Date

2025/08/23

Date Created

2022/01/07

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