Market Selloff: 2 Safe-Haven Dividend Stocks to Limit Your Losses

Description

The broader market selloff is back to haunt investors. While most tech stocks have been diving since the beginning of 2022, most other key sectors continued to inch up, helping the **TSX Composite Index** gain new heights in April. However, continued high inflationary pressures despite rising interest rates, fears about slowing global economic growth, and the possibilities of a recession have driven the main Canadian stock market benchmark down by about 8.6% in the last 20 days.

Reliable dividend stocks to buy amid the market selloff

Amid the ongoing rough market conditions, it would be a good idea for investors to consider avoiding riskier assets and adding some safe-haven stocks to their portfolios instead. For example, adding reliable dividend stocks to your portfolio could help you reduce your risk exposure. That's why this might be the right time for stock investors to act instead of just being worried, I believe. In this article, I'll highlight two such safe-haven dividend stocks in Canada that I expect to continue performing well, despite the intensifying market selloff.

Gibson Energy stock

Gibson Energy (TSX:GEI) is an oil infrastructure company that owns crude oil terminals, processing facilities, rail loading and unloading facilities, and gathering pipelines. The company currently has a market cap of about $3.8 billion, as its stock trades at $25.74 per share with 13.7% year-to-date gains.

As the prices of crude oil continue to strengthen amid strong demand and supply concerns, top energy stocks are likely to continue performing well. And this is exactly what Gibson Energy's latest quarterly results demonstrated. Earlier this month, this Canadian energy company told investors that its Q1 revenue jumped by 67% YoY (year over year) to $2.7 billion, crushing analysts' estimates by more than 40%. Higher volumes and a strong commodity price environment also helped Gibson post a solid 59% YoY jump in its Q1 adjusted earnings to $0.35 per share.

Going forward, the company plans to build additional infrastructure and pursue energy transitionaligned infrastructure opportunities, which should help it maintain strong financial growth in the coming years. Gibson stock currently offers an attractive dividend yield of around 5.7% to help investors continue getting regular returns, despite the broader market weakness.

Enbridge stock

I find any list of reliable dividend stocks in Canada incomplete without including **Enbridge** (TSX:ENB)(NYSE:ENB). Interestingly, this Calgary-based energy infrastructure and transportation company has consistently been increasing its dividend for the last 27 years. It currently has a market cap of about $116.3 billion, as its stock trades with 14% year-to-date advances against the TSX Composite benchmark's 6% drop.

The ongoing trend in Enbridge's financials looks solid, as the company's revenue jumped by 23.9% YoY in the first quarter to $15.1 billion to start the year on a strong note. The company recently advanced its international expansion strategy by acquiring one of the largest crude oil export facilities on the U.S. gulf coast.

During its latest earnings conference call, Enbridge's management highlighted how nearly 80% of the company's total revenue has some form of inflation protection through tolling mechanisms. Given that, I consider it one of the safest stocks to buy and hold amid the ongoing market selloff, as high inflation is one of the biggest concerns taking a toll on investors' sentiments lately. Enbridge stock also has an attractive dividend yield of around 6.1% at the moment.

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jparashar