3 Ultra-Safe Dividend Stocks for Jittery Investors

Description

Canadian investors who have the jitters during this market correction have every right to be nervous. Unfortunately, it doesn't look like the market is suddenly going to turn around anytime soon. So, that means it's time to hunker down and get into preparation mode, which might include buying dividend stocks.

But that preparation might simply be a shift in your investments, not selling it all. In fact, that could be arguably the *worst* thing to do right now. Motley Fool investors likely already know that long-term investing is the way to go. And with the market down so low, it isn't ideal for *anyone* to sell their stocks until they recover.

Meanwhile, you can still make needed cash flow by shifting your investments to these ultra-safe dividend stocks. Ones that will quell your nerves for the time being at least.

Canadian Utilities

Canadian Utilities (TSX:CU) is the only Dividend King on the **TSX** today. So, if you're a Motley Fool investor who is nervous that dividends will disappear, this is the one to buy in bulk. Canadian Utilities has been paying out a dividend for the last 50 years, growing it each year along the way. Right now, that dividend sits at 4.83%, or $1.78 per share, on an annual basis.

Utilities are a strong area to invest for dividend stocks, because these are products that will be needed no matter what happens in the market. You need the lights on; factories need power; utilities are necessary around the world. So, Canadian Utilities gives you a diversified portfolio on a global scale in a necessary industry.

A $1,000 purchase of Canadian Utilities would pay $48 in passive income each year.

BMO Canadian Dividend ETF

If you want safe dividend stocks, go straight to the source and consider a Canadian dividend exchange-traded fund (ETF). ETFs are defensive in nature because you get access to a professionally managed group of companies. **BMO Canadian Dividend ETF** (TSX:ZDV) is a strong option as you get access to the biggest and best dividend companies in Canada.

The downside here is it's not a global ETF, so you don't get access to as much global diversification. That being said, it's a great way to invest in the Canadian economy for a recovery while still receiving a solid dividend. Right now, that yield is at 4.15%. You could find higher yields, but this ETF focuses on sustainability, so you'll never miss a payout. And that's certainly something Motley Fool investors could use right now.

A $1,000 purchase of ZDV would pay $44 in passive income each year.

BMO Global Infrastructure Index

Finally, **BMO Global Infrastructure Index ETF** (TSX:ZGI) gives you that global diversification among dividend stocks I just spoke about. Furthermore, it combines the dividend and low volatility strength of the ZDV ETF, with the essential service we see with utility companies like Canadian Utilities.

ZGI ETF is a strong option, as infrastructure is always needed, and that's around the world. It's not just high rises, but subways, sewers, anything that *must* be built. And ZGI invests in the biggest and best of these companies around the world. And again, you get access to a 3.34% dividend yield that will remain strong even during a market downturn.

A $1,000 purchase of ZGI would pay $31 in passive income each year.

CATEGORY

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TICKERS GLOBAL

1. TSX:CU (Canadian Utilities Limited)
2. TSX:ZDV (BMO Canadian Dividend ETF)
3. TSX:ZGI (BMO Global Infrastructure Index ETF)

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