



4 of the Safest Dividend Stocks on Earth Right Now

Description

The **S&P/TSX Composite Index** slipped 88 points on Wednesday, August 17. Canadian investors have been faced with [volatility](#) in domestic and global markets in recent months. Meanwhile, experts and analysts have also warned of the increased probability of a recession in 2023. Today, I want to look at four of the safest dividend stocks on the planet at the time of this writing. Let's jump in.

What makes a dividend stock safe?

There are several identifiers that I look for when targeting and declaring a dividend stock "safe." One of my favourite measures is a stock's history of dividend growth. A stock that boasts a history of strong dividend growth is usually a sign of reliability and a good indicator that the stock will continue to deliver annual dividend increases going forward.

The second thing I look for is consistent positive cash flow. That goes hand in hand with the quality of a dividend stock. A stock that struggles to generate positive cash flow will also struggle to maintain a dividend payment over the long term.

Finally, I look for dividend stocks that thrive in a dependable sector. For example, during the COVID-19 pandemic, savvy investors looked to target essential services stocks like utilities, grocery retailers, and healthcare providers. With these factors in mind, let's snatch up our safe dividend stocks.

You can depend on this dividend stock in the tobacco space

Universal Corporation ([NYSE:UUV](#)) is the first safe dividend stock I'd look to target today. This Florida-based company processes and supplies leaf tobacco and plant-based ingredients to a worldwide client base. Its shares have dropped 5.5% in 2022 as of close on August 17. However, it is still up 7.7% in the year-over-year period.

The tobacco market remains robust on a global scale. This dividend stock possesses a favourable price-to-earnings (P/E) ratio of 15. Better yet, it offers a quarterly dividend of \$0.16 per share. That

represents a very strong 5.9% yield. It has achieved dividend growth for over 50 straight years. That makes Universal a bona fide Dividend King.

Here are two Canadian income-yielding equities that you can rely on for decades

Canada also boasts dependable dividend stocks on the TSX.

Fortis is a St. John's-based utility holding company. The stock is up 1.4% in the year-to-date period. This stock has delivered dividend growth for 47 consecutive years. It is on track to achieving 50 straight years of annual dividend hikes, which would make it the first Dividend King on the Canadian market.

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is another top Canadian dividend stock. This is the [largest](#) energy infrastructure company in North America. Shares of this dividend stock have increased 11% so far in 2022. The stock is up 14% from the previous year.

This stock has achieved over a quarter century of dividend growth. It currently offers a quarterly dividend of \$0.86 per share. That represents a tasty 6.2% yield.

One more safe dividend stock I'd feel secure about snatching up today

Coca-Cola ([NYSE:KO](#)) is the fourth safe dividend stock I'd look to snag in the second half of August. This is another Dividend King that investors can rely on for the long haul. Shares of Coca-Cola have increased 9.4% so far in 2022.

The company has turned its attention to growth in the developing world while North American market growth has broadly slowed for Coca-Cola products. It delivered net revenue growth of 12% to \$11.3 billion in the second quarter of 2022 while cash flow from operations stood at \$4.5 billion.

In July, Coca-Cola announced a third quarter dividend of \$0.25 per share. That represents a 2.7% yield.

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