3 of the Safest Dividend Stocks on Earth Right Now

Description

There are plenty of dividend stocks out there that are on sale right now. The **TSX** today is down 11.5% year-to-date as of this writing, making it a volatile time for investors. However, there have been signs of improvement.

With earnings coming in, the deals we saw even just last week have started to improve. While there could be another tumble in the near future, right now there's still substantial opportunity to snatch up safe dividend stocks at a discount.

If you're able to find safe dividend stocks, you can bring in passive income during this turbulent time without fear of dividend cuts. Meanwhile, you'll see returns that you otherwise may not be able to enjoy thanks to the downturn. So, with that in mind, here are the three safest dividend stocks on the market to consider.

Fortis

Fortis (TSX:FTS)(NYSE:FTS) is one of the top dividend stocks to consider in the highly defensive utility sector. It's been growing both organically and through acquisitions for decades, generating substantial revenue to feed its dividend.

It's now one of the dividend stocks that's just shy of becoming a dividend king. That means investors have enjoyed almost 50 years of consecutive dividend increases. Fortis has gone through *many* economic downturns and has still come out on top.

Shares of Fortis stock are down 13.5% year-to-date after a recent tumble. Yet it's grown 738% in the last two decades. That's a compound annual growth rate (CAGR) of 11.2%! Plus, its dividend has grown by a CAGR of 7.87% in that time. It currently offers a yield of 4.41%.

Canadian Utilities

Utility stocks are solid choices, and **Canadian Utilities** (TSX:CU) is the *only* dividend king on the TSX today. That means you can likely look forward to even safer growth.

And again, it’s grown both organically and through acquisitions, with utility investments across Canada and Latin America as well. What’s more, it hasn’t lost as much as Fortis stock. Shares are down 1.5% year-to-date. That’s market-beating performance, and then some!

While growth is lower at 408% in the last two decades, with a CAGR of 5.6%, Canadian Utilities is certainly still a safe choice. Its dividend in that time has grown by a CAGR of 6.65%, so that is solid performance investors can lock in. All while collecting an attractive dividend yield of 5.14%.

Nutrien

If you want stability and growth, then **Nutrien** (TSX:NTR)(NYSE:NTR) is another safe dividend stock to consider. Granted, this stock is not a dividend king *or* aristocrat. It’s quite a new stock on the market but it has huge potential.

Nutrien sells crop nutrients around the world and has consolidated a fractured industry. It now offers digital services such as solutions to help farmers keep track of their fertilizer inventory, and this innovation allowed the company to maintain high performance even during the pandemic. Further, it’s locked in new long-term contracts as a result of sanctions against Russia.

All of these factors set Nutrien up to be a safe dividend stock you can buy and hold for the long-term. After coming down from all-time highs, it’s still up 18.3% year-to-date and 88% in the last five years for a CAGR of 13.5%! It offers a dividend yield of 2.34%, with a current CAGR of 5.05% over the last five years.

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2. NYSE:NTR (Nutrien)
3. TSX:CU (Canadian Utilities Limited)
4. TSX:FTS (Fortis Inc.)
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