Buy These 3 Dividend Stocks to Save Your Portfolio

Description

It's no secret that the market has had a rough go at it over the past week and a half. In fact, some investors are even warning about a market crash, as selling pressure could continue over the next few weeks. However, there have been some industries that have fared well over that period. In this article, I will discuss three stocks that have not fallen recently. Adding these three stocks to your portfolio could spare you some losses.

One of the most reliable industries in Canada

Canada's rail industry is lead by two companies: **Canadian Pacific Railway** (TSX:CP)(NYSE:CP) and **Canadian National Railway** (TSX:CNR)(NYSE:CNI). These two giants form a duopoly, providing Canadians with materials such as oil, agriculture, lumber, and so much more from coast to coast. I have written on many occasions about the stability that these two stocks would provide a well-diversified portfolio. Over the past two weeks, their performances have strengthened those claims.

While some stocks have fallen anywhere from 20% to 55% over the past 10 days, Canadian Pacific and Canadian National have risen about 1% and 5%, respectively. While not outstanding by any means, considering how much other strong companies have fallen, that performance is quite impressive. The two companies are well-known Canadian Dividend Aristocrats. Canadian National in particular holds one of the longest active dividend-growth streaks at 25 years.

Over the past five years, both Canadian Pacific and Canadian National have managed to beat the market in terms of capital appreciation. As of this writing, Canadian Pacific has gained 163% over the past five years. This compares to a 77% increase in value by Canadian National. While some investors may see those numbers and immediately think Canadian Pacific is the way to go, keep in mind that the numbers become a bit closer once dividends are taken into consideration.

One final point that investors should note is that these companies are backed by some well-respected investors, especially Canadian National. One of the largest shareholders of the stock is none other than **Microsoft** co-founder Bill Gates. The Motley Fool's David Gardner, another co-founder, is also a shareholder in the Canadian railway company. With smart money showing confidence in the stock, it may be time for you to do the same.

Turning to another reliable sector

Of course, it's impossible to discuss reliable sectors in Canada and not mention the banking space. Of the Big Five banks, **Bank of Nova Scotia** (TSX:BNS)(NYSE:BNS) is undoubtedly my top choice. The company has performed very well over the past year, gaining more than 55% since its lowest point last March. When you consider the fact that the stock also offers a dividend yield of nearly 5%, that performance becomes even more impressive.

Bank of Nova Scotia is notable among its peers for its positioning within the Pacific Alliance. This is a region in Latin America that economists are expecting to grow at a quicker rate than the G7 over the next decade. These forecasts are attributed to an expanding middle class in the region. As that area grows, you can expect Bank of Nova Scotia's business to grow alongside it.

CATEGORY

1. Bank Stocks
2. Investing

POST TAG

1. bank
2. Bank stocks
3. banking
4. canada
5. dividend
6. dividend stock
7. investing
8. market crash
9. recession proof
10. Stocks
11. value investing
12. yield

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:CNI (Canadian National Railway Company)
3. NYSE:CP (Canadian Pacific Railway)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:CNR (Canadian National Railway Company)
6. TSX:CP (Canadian Pacific Railway)

PARTNER-FEEDS

1. Business Insider

2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Bank Stocks
2. Investing

Tags

1. bank
2. Bank stocks
3. banking
4. canada
5. dividend
6. dividend stock
7. investing
8. market crash
9. recession proof
10. Stocks
11. value investing
12. yield

Date
2025/07/21
Date Created
2021/03/09
Author
jedlloren