# Dividend Investors: 2 Stable Stocks to Buy in a Volatile Market

## Description

The Canadian market has enjoyed a fantastic run since January, and some analysts are concerned a sharp pullback is in the cards.

Here are the reasons why I think dividend investors looking to put new money to work today should consider **BCE Inc.** (TSX:BCE)(NYSE:BCE) and **Metro, Inc.** (TSX:MRU).

**BCE**

BCE is one of those slow and steady dividend-growth stocks investors can buy and simply sit on for decades.

The company holds a dominant position in the Canadian market and is relatively unaffected by turbulence in international markets. In fact, the stock tends to hold up very well when investors decide to run for shelter.



BCE continues to expand its presence in the Canadian market and is currently in the process of buying **Manitoba Telecom Services** for $3.9 billion. Some pundits think regulators will block the deal, but BCE is planning to sell part of the wireless assets to **Telus** and will invest at least $1 billion over the next five years to upgrade the existing MTS network infrastructure.

Minor adjustments might be required, but I believe the acquisition will go through.

BCE has moved into the media space in recent years and now owns sports teams, a television network, radio stations, specialty channels, and popular internet portals. When these assets are combine with the company's world-class wireless and wireline networks, you get a business that interacts with most Canadians on a weekly, if not daily, basis.

The company generates significant free cash flow and is very generous when it shares the profits with shareholders. The current quarterly dividend offers a yield of 4.7%.

**Metro, Inc.**

Canadians living in Ontario or Quebec are very familiar with Metro's portfolio of pharmacies and grocery stores.

These sectors are very competitive, but Metro does a great job of controlling costs and is finding ways to ensure its customers continue to frequent the stores.

Part of the success comes from the company's balanced offerings. Metro's stores operating under the corporate name tend to cater to higher-end shoppers while the Food Basics and Super C locations serve the discount market. This ensures Metro is capturing shoppers at all levels of the income spectrum and has a built-in resistance to recessionary times.

Metro reported strong fiscal Q2 2016 results. Same-store sales rose 5% year over year and net earnings jumped 12% compared with Q2 2015. The company pays a quarterly dividend of $0.14 per share, which is 20% higher than last year.

Investors shouldn't turn their noses up at the 1.3% yield. The stock has a strong track record of dividend growth, and shareholders have enjoyed a 30% rise in the stock price in the past 12 months.

**CATEGORY**

1. Dividend Stocks
2. Investing

**POST TAG**

1. Editor's Choice

**TICKERS GLOBAL**

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:MRU (Metro Inc.)



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