

## 2 Companies That Can Provide Safe, High-Yield Dividend Income for Years

### Description

Finding a company that can provide a safe, high-paying yield can feel like being on the hunt for a mythical unicorn. Make no mistake — there's no shortage of stocks in the market that pay a handsome dividend, but once you dig a little deeper and do some research on those companies, most will be unsustainable, too expensive, or offer little in the way of growth.

Fortunately, there are some great options that will provide a safe, sustainable, and growing income. Here's a look at some of those companies and why they make great additions to any portfolio.

#### Fortis Inc.

**Fortis Inc.** ([TSX:FTS](#))([NYSE:FTS](#)) is one of the largest utilities in North America with a massive portfolio of assets that spans more than a dozen U.S. states, five provinces, and the Caribbean. At first glance, Fortis may not seem like an ideal investment. It is a utility, after all, and utilities have a reputation as being stable, or boring, investments with next to no growth prospects.

Part of the reason for that stereotype is because utilities provide an essential service that, for the most part, we take for granted. Additionally, most of the revenue utilities generate comes from regulated sources, which leaves population growth or aging facility replacement as the only true organic way for utilities to grow.

Fortis differs in this respect in that the company has completed several acquisitions over the past few years that have expanded Fortis's footprint and added to the company's bottom line.

Fortis's recent acquisition of ITC Holdings Corp. is a great example of this. The deal not only opened up Fortis to eight new U.S. states, but it will also provide estimated 5% growth annually to its bottom line for the next few years.

Fortis pays out a quarterly dividend of \$0.40 per share, which provides a yield of 3.88% at the current stock price. The stock becomes even more attractive when considering that Fortis is one just a handful of stocks that has increased every year for the past 44 years.

Fortis currently trades at just over \$41 with a P/E of 22.31.

#### BCE Inc.

You can't mention great income investments without making reference to **BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)). The telecommunications behemoth engages us in our everyday lives, allowing for plenty of revenue streams for the company.

The lion's share of revenue still comes from the core subscription service, which now includes TV, internet, home phone, and wireless segments. BCE's coverage for those subscription services is the envy of the industry; it blankets the country from coast to coast thanks to the vast infrastructure it has

built over the years.

That infrastructure is what makes BCE such a great investment now and for the future. For any new competitor to emerge to rival BCE at this point would require a decade or more of development and tens of billions in investment. That defensive moat allows BCE to pass on a larger proportion of earnings back to shareholders in the form of dividends.

BCE has been paying dividends to shareholders for well over a century, and that handsome dividend is as good as it has ever been. BCE pays a quarterly dividend of \$0.68 per share, which amounts to an impressive 4.66% yield.

BCE currently trades at just over \$58 with a P/E of 18.57

## CATEGORY

1. Dividend Stocks
2. Investing

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