# Canadian Investors: 2 Dividend Stocks to Ride Out a Pullback in the TSX

## Description

The **S&P/TSX Composite Index** (TSX:^OSPTX) is trading near record levels, and some investors are concerned a steep correction might be on the way.

Let's take a look at **BCE Inc.** (TSX:BCE)(NYSE:BCE) and **Enbridge Inc.** (TSX:ENB)(NYSE:ENB) to see why they might be interesting picks right now.

**BCE**

BCE just received the final approvals for its purchase of Manitoba Telecom Services (MTS). The acquisition vaults BCE into the top slot in the Manitoba market and provides a solid base in central Canada to ramp up the company's presence further west.

The company has also invested in media companies in recent years and now owns sports teams, a television network, specialty channels, radio stations, and an advertising business.

These assets, when combined with state-of-the-art wireless and wireline network infrastructure, represent a powerful business that interacts with most Canadians on a weekly, if not daily, basis.



Think about it.

Any time a person in this country sends a text, checks e-mail, watches a movie, listens to the news, calls a friend, or catches up on the sports highlights, the odds are pretty good BCE is involved in the process somewhere along the line.

The company's business is relatively immune to potential shocks out of Europe or Asia that could set off a retreat in global stock markets.

BCE recently raised its dividend by 5% and currently offers a yield of 4.9%.

**Enbridge**

Enbridge just closed its acquisition of Spectra Energy in a deal that creates North America's largest energy infrastructure company.

The business now has $27 billion in near-term projects underway as well as $48 billion in the long-term development portfolio.

As the new assets are completed and go into service, Enbridge expects cash flow to grow enough to support annual dividend increases of at least 10% through 2024.

The stock has a beta of just 0.21, which means it tends to be less volatile than the broader market. As with BCE, Enbridge historically holds up well in a larger market downturn.

With the strong dividend-growth profile, any slip in the stock should be considered an opportunity to add to the position.

The dividend provides a yield of 4.2%.

**Is one more attractive?**

Both stocks should be solid choices to ride out a market pullback.

BCE offers a higher yield and is even less volatile than Enbridge. If you simply want the safest pick, BCE is probably the way to go.

Investors more focused on dividend growth while still searching for a low-beta stock might want to make Enbridge the first pick today.

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