
# 2 Dividend Heavyweights to Hold in Your TFSA Forever

## Description

Back in early December, I'd recommended that investors look to dividend stocks to safeguard their portfolios in a volatile market. The TSX would go on to have a brutal finish to the year, but stocks have bounced back nicely in 2019 so far. However, many of the top stocks on the TSX have spilled into overbought territory in early February. The TSX had dropped 90 points in early afternoon trading on February 8.



Today, we are going to look at two dividend stocks that are worth holding through turbulent market conditions. With equities looking pricey on the TSX investors may opt to stash stocks that provide solid income going forward.

## Enbridge (TSX:ENB)(NYSE:ENB)

Enbridge stock was down 3% in early afternoon trading on February 8. Shares have climbed 16% in 2019 so far and are now up 11% year over year. Enbridge is set to release its fourth-quarter and full-year results on February 15.

The company has gained considerable momentum on the back of a strong Q3 report and regulatory wins in the United States. The regulatory battle in Minnesota was a source of considerable anxiety in 2018. Enbridge would win approval, but the company is still wrestling with opposition from activists at the site.

Enbridge stock had an RSI of 56 as of this writing. Shares had just slipped out of technically overbought territory on Friday. There is probably room for more pullback, but potential buyers can start thinking about an entry point now. Enbridge last paid out a quarterly dividend of $0.671 per share, which represents an attractive 5.4% yield.

## Fortis (TSX:FTS)(NYSE:FTS)

Fortis stock has climbed 5.3% in 2019 as of early afternoon trading on February 8. Shares are up 6.9%

over the past three months. Back in November 2018, I'd discussed why Fortis was a must-own stock as investors battled volatility. Fortis is still a fantastic hold today and may be the beneficiary of more tailwinds going forward.

Utility stocks struggled as bond yields rose over the past two years. However, central banks in the United States and Canada are turning dovish after the market turmoil in late 2018, and because of slowing growth. Investors chasing yields will be turning back in utilities and other equities that offer steady income. On the TSX, Fortis is in a class of its own.

Fortis has achieved 45 consecutive years of dividend growth. The stock last paid out a quarterly dividend of $0.45 per share, which represents a 3.6% yield. Fortis expects its capital investment plan and subsequent rate base growth to support dividend growth of 6% annually into 2023.

The only drawback for those looking to add Fortis today is its valuation. Like other top stocks on the TSX Fortis is trading at a premium in early February. The stock had an RSI of 68 as of this writing, which is just outside overbought territory. Fortis is still a top long-term option for investors on the hunt for steady income, but buyers may want to await a pullback at current levels.

**CATEGORY**

1. Investing

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2. NYSE:FTS (Fortis Inc.)
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