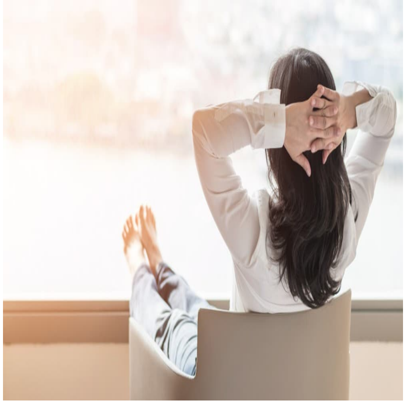

# Anxious About the Stock Market? 3 Ways to Keep Calm

## Description

At writing, the **S&P/TSX Composite Index** has corrected 7.75% from the peak in February 2020. The stock market's most recent correction is an indicator that we can expect a full-fledged stock market crash this year. It is something you should worry about as an investor. Still, it does not mean you should start panicking.



Here are three simple-to-follow tips that can help you keep your composure and generate substantial returns once the stock market inevitably recovers.

While the markets see a downturn, you can focus on collecting high-yield but safe dividend-paying stocks.

## High-quality investments

Your focus should always be on investing in industry leaders that generate reliable and stable cash flow and profits. Banks, utilities, telecoms, energy companies, and real estate are all sectors likely to retain relative stability in times of a recession.

Purchasing shares of industry-leading companies can help you take some of the market shares from competitors when the market is in trouble. It can result in significant long-term benefits for your wealth once the dust settles and the market recovers.

The **TSX Index** leaders in various sectors include **BCE** (TSX:BCE)(NYSE:BCE), **The Royal Bank of Canada**, **Fortis**, **Allied Properties REIT**, and **RioCan REIT**, among others.

## Prioritize reliable dividend income

All of the companies listed above pay cash distributions or dividends to shareholders that increase over time. I would recommend focusing on creating a source of passive income through dividends held in your Tax-Free Savings Account (TFSA).

It would be best if you bought shares of high-quality dividend-paying companies. The companies in your portfolio should exhibit solid fundamentals to sustain dividends and the capability to support progressive dividend growth.

BCE, for instance, is an industry-leading stock in the telecom sector. At writing, the stock is trading for $61.95 per share – down by almost 5% from its February 2020 peak. Still, it is up by more than 6% from the same time last year.

The company reported reliable 2019 results, and it anticipates steady growth throughout 2020. BCE's board recently raised dividends by 5%. Picking up shares of the stock right now can help investors earn payouts at a 5.38% yield.

A powerhouse company, BCE offers world-class wireless and wireline services to its customers across Canada. The company's media division owns a sports team, specialty channels, radio stations, retail operations, and a TV network. The company generates solid free cash flow and operates in a sector less likely to slump during a recession.

Build a strong TFSA portfolio with investments like BCE to earn substantial dividend income during the recession.



## Look at the bigger picture

It is best if you focus on long-term prospects. A market correction is scary, but it is the best time to buy. Safe, reliable, and trustworthy dividend-paying stocks like BCE are fantastic options to consider. Bank stocks like Royal Bank and Toronto-Dominion will become cheap and bounce back strong after the economy recovers.

Energy infrastructures also have an attractive value right now. Once you buy the shares, make sure you hold on to them for a long time so you can reap the benefits of dividends and compounding.

## Foolish takeaway

A full-blown recession might take place in 2020. Even if there is not a meltdown, the markets will see significant corrections. Remember to keep these three tips in mind and invest in reliable dividend-paying stocks like BCE. It can help you stay afloat through the recession and possibly come out of recession much wealthier as the markets recover.

**CATEGORY**

1. Dividend Stocks
2. Investing

**TICKERS GLOBAL**

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)

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