2 Top Dividend TSX Stocks to Watch

Description

Following a drastic market crash in March, stocks have been slowly recovering throughout April. Of course there's been some volatility, but in general stocks are trading up. In particular, some dividend **TSX** stocks have had big green days.

Now, while stocks recovering some gains is good news for investors overall, long-term investors don't really care about these short-term swings anyway. As such, they should be continuing to search for blue-chip dividend stocks that can net great total returns over time.

Whether stocks go up, down, or sideways in the next month is largely irrelevant to long-term investors. Rather, they can focus on finding value in long-term investment picks through top dividend TSX stocks.

Today, we'll take a look at two such stocks that are poised to deliver results for those investors that are in it for the long haul.

Fortis

Fortis (TSX:FTS)(NYSE:FTS) is a massive utility service company operating across North America. It provides mainly electrical services to its customers.

As far as businesses go, Fortis is about as boring as they come. This isn't one of those companies that's going to give you a 100% gain in a year. But it knows what it does — and does it well.

Almost all of the company's service routes are heavily regulated, which means the revenue streams are incredibly secure and predictable.

This consistency and safety in cash flow sources has helped Fortis become one of the most well-reputed dividend TSX stocks available. Its dividend is considered to be ironclad by many investors and has a great track record for both making payments and growing the yield itself.

As of writing, Fortis is trading at $55.35 and yielding 3.45%. Its P/E ratio and yield are about in line with the trailing figures, signalling Fortis is currently valued as well as it ever is.

Bell

BCE (TSX:BCE)(NYSE:BCE) is a major player in the Canadian telecom space, and the largest Canadian telecom company by market cap.

This dividend TSX stock isn't an overly exciting company, although there is definitely more room for growth than with Fortis.

5G networks are set to roll out later this year and Bell is poised to continue finding success with its industry-leading infrastructure paving the way. If 5G drives the demand for data limits up, the mandated mid-range price cuts could have muted effects on profits.

As of writing, Bell is trading at $57.22 and yielding 5.82%. Unlike Fortis, Bell is trading at a discounted P/E ratio relative to the trailing figure, and its yield is also larger than the trailing figure as well.

This suggests that there could be value to be had by investing in Bell at this time. There's no debate that a 5.82% is extremely juicy, especially coming from a telecom powerhouse.

Dividend TSX stock strategy

Regardless of short-term moves in the market, long-term investors should keep their eyes on the prize. That is, they should be scouting out long-term value in dividend TSX stocks.

Doing so will make for massive total returns over a long horizon. Investors can choose from top blue-chip stocks like Fortis or Bell, where valuations are currently as good as or better than usual.

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