# Upset Over Losing Money? Buy These 2 Safe Stocks for Your TFSA

### Description

Investors' appetites have been crushed by the massive selloff in the Toronto Stock Exchange (TSX). Canada's main stock market index is sinking again — particularly stocks in the energy sector. There seems to be no formula to arrest collapsing oil prices.



The federal government has been combating the market slide with several fiscal measures. Income investors are desperately scouting for safe equities to park their money.

People with holdings in **BCE** (TSX:BCE)(NYSE:BCE) and **Fortis** (TSX:FTS)(NYSE:FTS) are not feeling the pinch. This pair of top-notch stocks is among the safest for your Tax-Free Savings Account (TFSA). Both are holding up well in the pandemic. Losses are less than 5%, while dividends are safe.

## Critical services in the pandemic

Telecommunications giant BCE continues to dominate the advanced broadband wireless, TV, internet, and business communications services in Canada. The shares of this $51.2 billion company are down 4.2% year to date, which is minimal compared with the double-digit losses of other blue-chip stocks.

Bell Wireless, Bell Wireline, and Bell Media are the three primary subsidiaries that comprise this largest telco in Canada. BCE has the reach and resources to provide critical communications services and business connections to over 22 billion clients.

Because the company churns out consistent profits every quarter, you can take a defensive stance during the pandemic. Likewise, the 5.81% dividend is super attractive. In your TFSA, $50,000 worth of BCE shares will deliver $2,905 in tax-free passive income.

The company donated 1.5 million protective masks to the federal, provincial, and territorial governments for use by the thousands of healthcare and other frontline public workers throughout Canada. BCE knows its social responsibility in the wake of the coronavirus outbreak.

## Bond-like stock

As usual, top utility stocks like Fortis are displaying resiliency during this worst-ever market decline. Three factors make this $24.5 billion electric and gas company one of your best options in a bear market or recession. There is growing income, visible long-term growth, and a diversified, regulated-utility asset base.

I need to make mention too of Fortis's 45-year record of dividend increases. Many companies don't have the characteristics to achieve such a feat. Its operations are regulated or under long-term contracts, and therefore, earnings are very stable. With almost 100% of revenue coming from solid sources, the business endures.

The hit of the coronavirus outbreak on the stock is negligible. Fortis's year-to-date loss is only 1.27% versus the TSX's -18.30% (as of April 21, 2020). At present, the dividend yield is 3.59%.

Your $6,000 annual TFSA contribution limit in 2020 can easily produce $215.40 in tax-free income. Fortis is often likened to a bond because of its inherent safety features.

## Anchors in a crisis



The 2020 market crash can torpedo not only long-term financial goals but retirement plans as well. You must exercise caution when making investment decisions. In times of heightened market volatility and uncertainty, BCE and Fortis are the anchors of risk-averse TFSA users.

This pair of traditional safe-haven assets should quell your fears during extraordinary market crashes. You'll continue to derive profits and not lose money.

**CATEGORY**

1. Coronavirus
2. Dividend Stocks
3. Investing

**POST TAG**

1. Editor's Choice

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2. NYSE:FTS (Fortis Inc.)
3. TSX:BCE (BCE Inc.)
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