



Dividend Investing: 2 High-Yielding TSX Stocks

Description

While stocks have recovered from the lows we saw in March, there's still plenty of uncertainty in the market. However, there are now many stocks suited for long-term dividend investing offering great yields.

While another market crash could certainly be on the way, these blue-chip stocks have the strength to persevere. Despite potential short-term hiccups, high-yielding blue-chip stocks can still offer long-term investors big returns.

However, not all stocks with massive yields are great picks. Some stand little to no chance of maintaining their yields. As such, investors need to identify the blue-chip stocks that not only have great yields, but can also support those yields as well.

Today, we'll look at two blue-chip TSX stocks that are perfect for dividend investing as they have the ability to sustain their yields.

Scotiabank

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is one of Canada's major banks and the third largest by market cap. It's long been a dividend investing superstar with a great track record of maintaining and growing its yield.

In general, the bank tends to be very diverse geographically and gets about a third of its earnings from international operations.

Scotiabank is tapping into these markets that could offer tremendous growth over the long term. Couple that with its very solid footing in Canada and this should have investors feeling [positively](#) about Scotiabank.

With regard to the pandemic's impact on Scotiabank, it appears to be a little better off than some of its peers. The major Canadian banks reported earnings recently, and while Scotiabank's loan loss

provisions rose, the figure didn't blow up in the same way it did for some of its peers.

Plus, Scotiabank has remained fully operational despite the circumstances and remains confident in its ability to continue doing so. There isn't really anything that jumps out as overly-worrisome from the report, and Scotiabank is maintaining its commitment to paying its handsome dividend.

At the time of writing, this dividend investing heavyweight is paying out a 6.13% yield. This figure should be mouth-watering for long-term investors.

BMO

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is another major Canadian bank. It has a strong presence in both the U.S. and Canada. Similar to Scotiabank, BMO is a top pick when it comes to dividend investing.

BMO's balance sheet is rock-solid. It also has one of the longest dividend streaks and remains committed to providing a great yield to its investors.

At the time of writing, BMO is trading at \$76.71 and yielding 5.53%. For those focused on dividend investing, that yield is more than palatable over the long term.

As the stock trades slightly below book value, it may be a little [undervalued](#) here in June. BMO's fortitude and attractive price point should make it a desirable buy for long-term investors.

Dividend investing strategy

Scotiabank and BMO are both great options when it comes to dividend investing. Both have amazing track records for maintaining their dividend through thick and thin, and both are trading at decent valuations for the long run.

If you're looking at adding a blue-chip **TSX** stock to your dividend investing plan, Scotiabank and BMO both are worth consideration.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BMO (Bank Of Montreal)
4. TSX:BNS (Bank Of Nova Scotia)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

Category

1. Bank Stocks
2. Dividend Stocks
3. Investing

Date

2025/07/04

Date Created

2020/06/16

Author

jagseguin

default watermark

default watermark