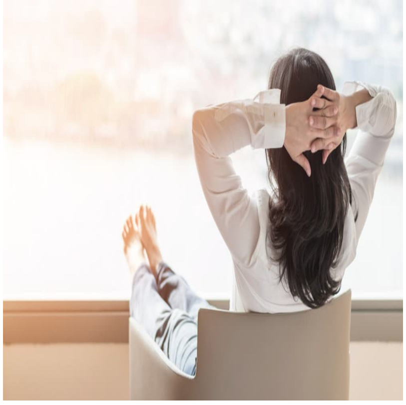

Income Investing: 3 TSX Heavyweights to Buy

Description

While the stock market remains unsettled, some stocks are trading at attractive prices. For those focused on income investing, some Dividend Aristocrats are now trading at solid prices while offering outsized yields.

Of course, there are sure to be some bumps in the road ahead for the economy. However, when income investing for the long term, these should be nothing more than a blip on the radar — that is, provided these hiccups aren't underscored by material issues.

Today, we'll look at three top **TSX** stocks that are offering solid yields to investors. These stocks have the resilience and stability to succeed despite economic pressures.

TD Bank

Toronto-Dominion Bank (TSX:TD)(NYSE:TD) is one of Canada's major banks. It offers a wide array of products and services to its customers and has strong footing in both the U.S. and Canada.

As of this writing, TD is trading at $61.52. In its most recent earnings report, TD announced a large spike in its loan loss provisions due to recent economic factors. While not entirely unexpected, the jump was a little eye-popping for investors.

However, TD has a very healthy balance sheet and access to ample liquidity to help smooth over the road ahead. With a yield of 5.14% on offer, TD is a solid candidate for long-term income investing.

RBC

Royal Bank of Canada (TSX:RY)(NYSE:RY) is another major Canadian bank, and in fact the largest by market cap.

Similar to TD, RBC has been beaten down with the market. With lower interest rates and a tighter economy, it’s not overly surprising to see this stock experiencing a bit of volatility.

As of this writing, this income investing superstar is trading at $92.35 and yielding 4.68%. That yield exceeds the stock’s five-year average and helps make this an attractive long-term dividend investing play.

You can probably expect a bumpy ride in the short run, but given enough time, this stock has more than enough strength and resilience to surge back. Plus, you can simply collect the dividend in the meanwhile, as bank stocks like TD and RBC remain firmly committed to maintaining their dividends.

Defensive income investing: Fortis

Fortis (TSX:FTS)(NYSE:FTS) is a major electric utility company operating across North America as well as the Caribbean and Central America.

This dividend king has an iron-clad track record for maintaining and growing its dividend through thick and thin. It’s able to do this as its business is so secure and predictable. With heavily regulated contracts in place dictating its distribution channels, Fortis has dependable revenue.

As of this writing, Fortis is yielding 3.72% and sporting a beta of 0.06. So, it’s a perfect pick for those looking at more defensive income investing given the current economic conditions.

With Fortis, you can insulate your investment from the wild swings of the market while still picking up a more than palatable yield.

Income investing strategy

These three TSX giants all offer great yields to help support an income investing strategy. Over a long enough investing horizon, the bank stocks should offer great total returns from their current price levels, and Fortis is a stalwart when it comes to defensive dividend investing.

If you’re looking at picking up stocks for extra dividend income, these three should be near the top of the list.

CATEGORY

1. Bank Stocks
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