



## 2 High-Yield Dividend Stocks That Could Pay You for Life

### Description

The COVID-19 pandemic is a destructive force. Economies are contracting and resulting in rising unemployment. Never have we seen [sectors and industries](#) grind to a complete halt.

In a crisis period, the typical scenario is that people will experience a drop in income and draw from savings to maintain consumption. When the crisis is over and recovery begins, you save again to replenish depleted savings and restore them to the pre-crisis level.

The federal government is providing [income support](#) in emergency and recovery phases during the 2020 health crisis. However, none of the relief benefits will pay you for life. It's up to you to create income permanency to counter the uncertainties surrounding COVID-19. A pair of high-yield dividend stocks can be your source.

### Battle scarred

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) has lived through the worst recession and depression in the last century. You can include the two World Wars. The 2008 financial crisis was severe, until COVID-19 came along. TD stood tall during that notorious episode. It was the only company that reported revenue and income growth.

Remember, the goal is to create income that could last a lifetime. The stock price could drop like it did in the March 2020 selloff. TD shares plunged to \$47.39 on March 23, 2020 but has recovered since. The bank stock is now trading at \$59.71 (a good entry point) and losing by only 14% year to date.

TD boasts of a 163-year dividend track record, so it lends confidence to income investors. The current dividend yield (5.21%) is safe and sustainable, given the 59.3% payout ratio. In a nutshell, the second-largest bank in Canada is well managed and has a terrific balance sheet and ample reserves for loan losses.

## 21st century stock

Telecom giant **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is the perfect complement to Toronto-Dominion Bank. The \$108.1 billion company is the largest telecom in Canada and has been operating since 1880. Telecommunications and internet services are critical needs in the pandemic and beyond.

The changing work environment will benefit Canadian internet providers, because BCE is operating in a near monopoly. It's pioneering the rural broadband project in the country, which should drive growth further.

More importantly, BCE is well positioned for the effects of the pandemic. Networks will be robust as ever during downturns. The company can generate free cash to invest in upgrades or new infrastructure. Competition is almost nil due to restrictive entry barriers.

Currently, BCE pays the highest dividend (5.94%) among the Big Three telecoms. Don't look back if you're investing in this blue-chip stock. The business will endure, as cellphones and the internet are staples in the 21st century.

## Dividends not compromised

The COVID-19 pandemic has forced companies to reassess their financial conditions amid the rapidly shifting landscape and deteriorating economies. Many corporations either slashed or suspended dividend payments.

Fortunately, the pandemic didn't compromise the dividends of Toronto-Dominion Bank and BCE that would warrant cuts or suspension. If you can invest \$50,000 in each, the average dividend yield is a high 5.57%. Your potential income for life is \$5,750. In 25 years, you'll have a \$404,584.65 nest egg in retirement.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BCE (BCE Inc.)
4. TSX:TD (The Toronto-Dominion Bank)

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