



## Steady Income: 2 Reliable Blue-Chip Stocks

### Description

Despite a somewhat turbulent market as of late, investors can find stocks providing steady income through dividends. However, said conditions have put pressure on many dividends, so only the most reliable yields should be sought.

After all, you can't generate steady income from a dividend due to be cut or halted altogether. Instead, it's best to look for stocks with the financial stability required to continue delivering strong results.

Over time, a stock with a solid but sustainable yield can create great passive income for investors. So, the task becomes identifying such stocks suitable for this income investing strategy.

Today, we'll look at two **TSX** blue-chip stocks with rock-solid dividends.

### Fortis

**Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is a massive and well-diversified electric utility company. It has operations spanning North America as well as the Caribbean and Central America.

Fortis has long been one of the most blue-chip stocks on the TSX. This is largely due to the consistent nature of its revenue sources.

More specifically, Fortis delivers its services almost entirely through regulated contracts. That means it has reliable and predictable means for generating profits and hence [providing steady income](#).

This perhaps unexciting yet reliable structure is reflected in the stock's performance. Namely, it sports a beta of 0.08, suggesting it doesn't move closely with the market forces at all.

That's great news for investors concerned with stability in today's market. As of this writing, Fortis is trading at \$52.76 and yielding 3.82%.

That yield slightly exceeds the stock's five-year average, and with a payout ratio just above 70%, it's

quite secure moving forward.

Fortis is a great steady income pick because it's very committed to providing dividend value to its investors. Given its resiliency to the market, it makes for a solid pick going forward as well.

## BMO

**Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) is one of the major [Canadian banks](#), and has a strong presence in the U.S. as well. It's a strong steady income stock due to its very reliable yet sizeable dividend.

In truth, one could argue the security of BMO's dividend is unrivalled. That's because it's paid a dividend every year since introducing one in 1829, which makes for the longest streak in Canada.

On top of that, its payout ratio as of this writing is roundabout 60%, which isn't overly high. Especially given current market conditions, that ratio suggests the dividend is easily under control.

That makes sense, since BMO is a well capitalised stock with plenty of solid financial cushion. It also has access to sources of support and liquidity.

As of this writing, BMO is trading at \$96.88 and yielding 4.38%. While this stock was offering higher yields even mere weeks ago, it's still offering an attractive yield at 4.38%.

Moving forward, BMO has strong footing in the Canadian market and the U.S. market can be a driver for growth. This stock can certainly provide investors with steady income through its reliable dividend and growth.

## Steady income plan

Both these stocks can be great additions to a passive income strategy. They both offer rock-solid dividends that can generate steady income over time.

While they aren't likely to blow the roof off in terms of share price growth, they will deliver on the dividend front consistently.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:FTS (Fortis Inc.)
3. TSX:BMO (Bank Of Montreal)
4. TSX:FTS (Fortis Inc.)

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