



2 Dividend Heavyweights That Are No-Brainer Buys

Description

The **Toronto Stock Exchange** (TSX) has recovered from COVID-19's destruction and is only 3% shy of its record-high 17,944.10 posted on February 20, 2020. It finished at 17,398 on December 3, 2020, or a year-to-date gain of 1.96%.

Momentum could build up some more once COVID-19 vaccines receive regulatory clearances. The pandemic could end too if the vaccines begin to roll out in 2021. Meanwhile, infection cases are rising due to the second wave of coronavirus. It remains a [significant threat](#) to market stability.

On the investment front, you can fortify your stock portfolio with two dividend heavyweights. **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) and **Capital Power Corporation** ([TSX:CPX](#)) are the no-brainer buys this December 2020. Both companies can weather [market volatility](#) and continue paying high dividends to income investors.

Growth catalysts are plenty

BCE, Canada's largest telecom, offers a juicy 5.92% dividend that could still grow steadily in the years ahead. Because the business model is quite predictable, this blue-chip asset is a must-own for the long-term. The growth catalysts for BCE are the work-from-home trend and its rural broadband project.

Mirko Bibic, President and CEO of BCE and Bell Canada, said, "Championing customer experience is a strategic imperative for the Bell team, and I'm proud that we continued to outperform in a competitive communications marketplace even as we faced the challenges of COVID-19."

The 2019-20 annual report from the Commission for Complaints for Telecom-television services (CCTS) reveals that BCE registered the most reduction in consumer complaints — the fifth year in a row it has bested all national providers.

There's no question that BCE will benefit and grow further with the work-from-home trend and rural broadband project. Now is the time to take a position.

An emerging force in renewable energy

Capital Power, a \$3.54 billion independent power producer (IPP), pays a 6.21% dividend. The stock is among the resilient investments in the pandemic. Current investors are winning by 3% year-to-date on top of the high yield.

Besides the generous payout, this utility company will attract more green investors soon. Management is preparing to accelerate plans toward a low carbon future. According to Capital Power CEO Brian Vaasjo, the company targets to be net carbon neutral before 2050.

Capital Power will start constructing three solar development projects in North Carolina in late 2021 or early 2022. The 20-year power purchase agreements with Duke Energy Carolinas are for 20 years, and commercial operations could commence in the fourth quarter of 2022. Collectively, the total power capacity is 160 megawatts.

At present, Capital Power's power generation capacity at 28 facilities across North America is 64,000 megawatts. The transformation of the company as a force in clean and green energy is happening. It would be best to initiate a position today and ride on the growth momentum.

Hope for pandemic's endgame

Canada's main stock market index is creeping higher in December and extending the substantial gains in November. The COVID-19 vaccines are the likely catalysts that will determine the landscape heading into 2021. It can also breathe new life into weaker sectors like energy and real estate. The world is optimistic that COVID-19 will end somehow.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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2. TSX:BCE (BCE Inc.)
3. TSX:CPX (Capital Power Corporation)

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