



## Passive Income: 2 TSX Dividend Superstars

### Description

When it comes to generating passive income with **TSX** stocks, a reliable dividend is key. Investors need to be able to count on a stock's dividend to build a solid income stream.

Of course, 2020 has thrown a bit of a wrench in the works for many stocks. As such, we've seen dividend cuts across various sectors, even amongst some bigger name stocks.

However, there are still blue-chip stalwarts with very stable dividends. These are generally stocks with iron-clad balance sheets and reliable means of revenue.

Passive income investors should be most interested in stocks like these. Today, we'll look at two such TSX heavyweights poised to deliver great dividends to investors.

### Fortis

**Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is a massive electric utility company based in St. John's, Newfoundland and Labrador. Its operations cover large areas of the U.S. and Canada, as well as the Caribbean and parts of Central America.

When it comes to choosing stocks to generate stable passive income, Fortis is a great option. It has a remarkable track record for dividend stability.

The key to Fortis' reliable dividend is in the way it provides services. It operates largely on heavily regulated contracts, and as such its revenue streams are highly predictable.

This in turn makes for [dependable payouts](#) to investors. This stability is also reflected in its beta of 0.05, suggesting the stock is highly resilient to market forces.

As of this writing, this passive income star is trading at \$52.41 and yielding 3.85%. While that yield isn't overly mouth-watering, the stability that comes with it makes it an attractive proposition.

For income-focused investors looking for a reliable option with a near-4% yield, Fortis is worth a look.

## BMO

**Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) is one of the major banks in Canada. It offers a wide range of investment and banking services to its customers.

When it comes to passive income investing, the Canadian banks are always worth a look. They typically offer substantial dividends and are highly committed to growing their dividends over time.

BMO in particular has a phenomenal track record for [dividend stability](#) and growth. In fact, it has the longest dividend streak in Canada, having rewarded investors with a payout every year since 1829.

Plus, BMO has not only paid but instead grown its dividend for many of those years. Of course, the past doesn't perfectly predict the future, but there's no denying that BMO has had a rock-solid dividend for a long time.

Moreover, its balance sheet is strong and its payout ratio is more than manageable now. So, despite virtually unprecedented economic troubles this year, its dividend seems safe and secure.

As of this writing, BMO is trading at \$97.53 and yielding 4.34%. A yield far in excess of 4% is always a welcome sight when it comes attached to a big Canadian banking stock.

For passive income investors looking for strong dividend growth potential, BMO is certainly worth consideration.

## Passive income strategy

Both FTS and BMO can be reliable components of a passive income plan. They both offer decent yields with high degrees of dependability.

If you're looking to boost your dividend income, be sure to give these two TSX stars a good look.

### 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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