



Dividend Investing: 2 High-Yielding TSX Kings

Description

For income-focused investors, dividend investing is a great way to generate passive income. Investors love the idea of loading up on stocks with high yields and just sitting back as cash comes in.

However, it's important for investors to select the right stocks for this method. Especially during tough economic times, it's vital that these are stable and reliable stocks.

Typically, blue-chip TSX stocks with [stable revenue](#) make for good targets. These are stocks likely to maintain their dividends and even grow them over time.

While other stocks with higher yields might be out there, those yields might not be sustainable. If a company doesn't have resilient sources of revenue, its dividend could be on the chopping block. That's something passive-income investors never want to see.

Today, we'll look at two dividend investing kings with stable yields built for the long run.

Fortis

Fortis ([TSX:FTS](#))([NYSE:FTS](#)) is a big name in the Canadian dividend investing realm. It's a large and well-diversified electric utility holding company with stable sources of income.

FTS has a solid track record for maintaining and growing its dividend to investors and remains focused on delivering value to its investors. The key to its dividend stability has to do with the way it generates business.

That is, this dividend investing star operates its utility services primarily through regulated contracts. That means revenue sources are very secure, predictable, and dependable.

This translates directly to a solid and stable yield for investors. As of this writing, FTS is trading at \$49.30 and yielding 4.1%.

For those focused on passive income, FTS can provide a steady influx of cash through its dividend. While it's not the most eye-catching yield around, it's backed by a rock-solid foundation.

TD Bank

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is one of Canada's largest banks, with a wide range of products and services on offer. It has a strong presence in the U.S. and Canada that contribute to its growth and stability.

As a [major Canadian bank](#), it's naturally a prime candidate for dividend investing. These are typically stocks with diverse ways of generating cash and proven stability in the market.

TD has been paying a dividend for a long time and has also been committed to growing its dividend over time. Even with throughout a very tough 2020, TD weathered the storm and was able to increase and then maintain its dividend.

While there could still be challenges ahead, TD clearly has the wherewithal to withstand turbulent market conditions. As of this writing, TD is trading at \$77.53 and yielding 4.08%.

With a yield north of 4%, passive-income investors should be interested in TD going forward. This major player in Canadian banking can offer huge long-term return potential to investors.

Dividend investing strategy

When it comes to long-term dividend investing, finding stable dividends is one of the most important factors. While every investor loves a sizeable yield, it has to be sustainable over time to truly deliver long-term results.

Both FTS and TD offer investors solid yields above 4% with proven stability. Long-term dividend investors should be sure to keep an eye on these TSX superstars.

CATEGORY

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2. NYSE:TD (The Toronto-Dominion Bank)
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