# Dividend Stocks: 3 Top TSX Stocks to Watch

### Description

The **TSX** remains volatile as the pandemic continues to rage on. Even with vaccinations underway, the variant has made it impossible to return to normalcy. But while some stocks are running out of steam, dividend stocks remain a strong place to hide your cash until the dust settles. So if you're looking for strong Canadian TSX stocks with decent returns, then consider adding these three dividend stocks to your portfolio.



## Fortis

The most obvious and therefore the clearest choice for your dividend portfolio is **Fortis Inc.** (TSX:FTS)(NYSE:FTS). The utility company stock is up 12% in the last year. Analysts consistently recommend the stock for, well, its consistency!

Fortis stock still has some growing to do, as the stock fell during the March 2020 crash. However, before that returns were stable. The stock is up 142% in the last decade for a compound annual growth rate (CAGR) of 9.24%. That comes from its solid business model, growing through acquisitions and then bringing in more revenue, and starting the trend again.

Apart from solid quarterly earnings, the stock is also a stable dividend increaser. The company has 49 years of dividend increases behind it, making it one year shy of becoming the first TSX Dividend King! That's through recessions, pandemics, you name it, there's Fortis.

The company remains the dominant dividend stock on the market. It has a 3.68% dividend yield as of writing. That means a $5,000 investment would bring in $183 per year.

## Royal Bank

For more stability during a volatile market, you need to go with one of the Big Six Banks. And again, if it's stability you're after then go big or go home. That's **Royal Bank of Canada** (TSX:RY)(NYSE:RY) in this case, with the largest market capitalization of the Big Six Banks at $165 billion.

While the bank may not have been prepared for a pandemic, it did prepare for an economic downturn. It's therefore been able to stabilize, seeing returns of 48% in the last year, though shares are up 187% in the past decade for a compound annual growth rate (CAGR) of 11% as of writing. That beats the TSX and then some.

The company continues to find new ways of bringing in revenue, including expanding into emerging markets. Though it brings in much of its revenue from wealth and commercial management. The company has nine years of dividend growth behind it, and hasn't missed a payout since starting its dividend.

This biggest of Big Six Banks currently offers a 3.71% dividend yield. That would bring in $186 from a $5,000 investment.

# BCE Inc.



Telecommunications companies have been getting some major attention during this rebound. This in part comes from many people working from home and realizing it's time to upgrade. It has companies like **BCE Inc.** (TSX:BCE)(NYSE:BCE) scrambling to get its 5G out the door and across Canada.

The company had an 8% increase in the last year, with a 7% jump from February alone with the company committing to expanding 5G nationwide. The company had a rough year, with revenue falling three consecutive quarters thanks to the pandemic. But the company hopes to rebound, and continue its payout streak. In fact, BCE stock boasts an 11-year growth streak, with an average 5% growth per year during that time.

The stock isn't cheap, nor is it expensive, but the dividend is a great reason to buy this stock today. BCE stock offers a 6.12% dividend yield as of writing. That would bring in $263 per year from a $5,000 investment.

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**TICKERS GLOBAL**

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2. NYSE:FTS (Fortis Inc.)
3. NYSE:RY (Royal Bank of Canada)
4. TSX:BCE (BCE Inc.)
5. TSX:FTS (Fortis Inc.)
6. TSX:RY (Royal Bank of Canada)

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