Wherever the Market Goes, I'm Buying These 3 Big TSX Stocks

Description

Do you think it's worth it to lose peace of mind to achieve a higher return of a few percentage points? There are plenty of **TSX** stocks that offer decent growth potential and are less volatile than broader markets. Your portfolio could create massive wealth in the long term.

Fortis

Top utility stock **Fortis** (TSX:FTS)(NYSE:FTS) is one of the most stable stocks on the Toronto Stock Exchange. It pays stable dividends and currently yields 3.7%. Although the yield is not that superior, it dons a long dividend increase streak of 47 straight years.

Notably, the $26 billion company will most likely continue to do the same for years. Fortis intends to raise dividends by 6% annually through 2025.

Fortis generates almost entire of its earnings from regulated operations. These operations allow achieving a specific rate of return which provides earnings visibility. This, in turn, minimizes investor risk substantially. Fortis aims to invest $19.6 billion in such low-risk regulated operations through 2025.

Utilities like Fortis pay a large slice of profits to shareholders as dividends. In the last five years, Fortis paid on average 70% of its net income as dividends, way higher than the broader market average.

Fortis can be a super defensive stock for your portfolio as markets currently trade around all-time highs. Its low volatility, decent dividends, and stable earnings growth make it attractive for long-term investors.

TC Energy

It's comforting to see robust dividends coming in every month or every quarter. Top midstream energy company **TC Energy** (TSX:TRP)(NYSE:TRP) pays handsome dividends and yields 6% at the moment. That's far superior to TSX stocks at large.

TC Energy operates a large network of oil and gas pipelines that connects energy producers and refiners. Apart from midstream, the company runs a power generation plant as well. Both these verticals facilitate stable earnings and, ultimately, stable dividends.

TC Energy has increased its dividends for the last 21 consecutive years. Notably, it intends to raise payouts by around 6% for the next few years. Driven by handsome dividends, TC Energy stock has delivered an average annual return of 12% since 2000, significantly beating the TSX Composite Index.

BCE

Canada's telecom giant **BCE** (TSX:BCE)(NYSE:BCE) is my top pick to play the 5G rally. It has been aggressively investing in network improvements this year. Under its biggest capital spending plan so far, it plans to provide 5G coverage to approximately 70% of the Canadian population in 2021.

With approximately 10 million subscribers, BCE is the second-largest telecom company in the country. It has a robust balance sheet to invest in capital projects and expand in the next few years. Thus, BCE looks relatively well placed among peers to ride the upcoming 5G wave.

BCE stock yields a handsome 6% at the moment. Driven by its stable earnings, BCE continued to increase shareholder payouts during the pandemic as well. Investors can expect its dividend growth rate to accelerate, fueled by superior earnings growth potential in the next few years.

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