



Dividend Investing: 2 Canadian Behemoths

Description

Dividend investing is a strong long-term investment strategy for Canadians. This is because the TSX is home to many top blue-chip stocks ideal for this method.

Over time, with the power of compounding, top Canadian dividend stocks offer massive total-return potential. Investors in it for the [long haul](#) stand to do well with these sorts of stocks.

However, it's important to avoid certain traps in dividend investing — namely, some stocks offer fantastic yields on the surface but don't have the means to keep things rolling.

This will lead to dividend cuts and/or general underperformance in the future, and the blue-chip giants will win out.

Today, we'll look at two reliable stocks ideal for long-term dividend investing that are safe from these troubles.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is the holding company for Bell Canada, which provides various media and telecom services through subsidiaries such as Bell Media.

This TSX behemoth has long been a favourite among long-term investors because of its penchant for growth while maintaining stability. Due to its diverse range of revenue streams, it's able to offer both share price and dividend growth over time.

This stock is a dividend investing star, because it doesn't force investors to compromise. Over the long haul, investors stand to make solid total returns with BCE.

As of this writing, this blue-chip giant is trading at \$64.49 and yielding 5.43%. That should be an attractive yield for investors, especially knowing it comes attached to a name like BCE.

BCE has made some moves in the media and entertainment space recently, and the advent of [5G](#) in Canada should help further drive growth as well.

If you're looking for a telecom stock with solid upside for the long term, BCE is a name to check out.

BMO

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is a blue-chip Canadian bank stock that's perfect for dividend investing.

BMO has a long history of being a reliable blue-chip stock. In fact, its dividend-payment streak dates back to 1829, and, for most of that time, it has increased the dividend.

There's no denying BMO's impeccable history when it comes to providing value for dividend investing. However, what's more important for investors today is what's going to happen going forward.

Well, BMO is extremely well equipped to continue its roll as a top dividend investing stock. Its payout ratio is at an extremely comfortable level, suggesting we could see dividend growth once the economy is really rolling.

BMO has a strong presence in both the U.S. and Canada, which gives it a solid path for growth moving forward. It's a stock with a strong balance sheet and the resiliency investors need for the long haul.

As of this writing, BMO is trading at \$127.13 and yielding 3.34%. For long-term dividend investing, BMO is a solid option to take a look at.

Dividend investing strategy

Both BCE and BMO can be key components of a strong dividend investing strategy. These two TSX heavyweights offer investors not only share price and dividend growth but also great stability.

If you're looking for some solid blue-chip stocks for the long haul, these two TSX names are worth consideration.

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