



2 Stocks Smart Investors Are Buying in Huge Numbers

Description

The **S&P/TSX Composite Index** has been significantly volatile in recent weeks leading up to the holiday season. The Canadian benchmark index is down by 2.52% from its latest all-time high on November 12, 2021, and up by 3.31% from its December 20, 2021, levels. [If you're scared of a market pullback](#), it would hardly be surprising in the given circumstances.

As 2022 approaches fast, many investors are booking profits and exiting the stock market in search of safety from the market volatility due to rising inflation rates and concerns regarding the Omicron COVID-19 variant. However, exiting the stock market and running away with your money to hide it under a mattress might not be the best way to prepare for a market crash.

The TSX boasts several high-quality and reliable stocks that could continue providing you with significant investment returns and stability through turbulent operating environments. It is all a matter of identifying and investing in the right TSX stocks.

Today, I will discuss two such TSX stocks that smart investors are buying in huge numbers amid [volatile market conditions](#).

Fortis

Fortis ([TSX:FTS](#))([NYSE:FTS](#)) stock is a no-brainer for smart investors during bear market conditions or any operating environment for that matter. The Canadian Dividend Aristocrat is a mainstay for many investment portfolios due to its ability to provide reliable shareholder dividends regardless of what is happening in the market. Fortis is a \$28.55 billion market capitalization utility holdings company that owns and operates 10 utility businesses.

The company offers natural gas utilities and electricity to around 3.4 million customers across Canada, the U.S., and the Caribbean. Fortis earns most of its revenues through rate-regulated and long-term contracted assets that virtually guarantee predictable cash flows. The company can use its predictable and stable cash flows to fund its rising shareholder dividends comfortably.

At writing, Fortis stock is trading for \$60.74 per share, and it boasts a juicy 3.52% dividend yield.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is Canada's largest telecommunications company. The \$59.33 billion market capitalization telecom giant has dominated the industry in Canada for decades, and it is one of the top picks among Canadian dividend stocks. Like utility businesses, telecom operators also provide an essential service to their customers. It means that BCE can generate robust cash flows regardless of the economic environment.

The company is one of the leading 5G providers in Canada right now, and it is expanding its network further each day. The company's 5G rollout is expected to pick up pace in 2022 after allocating \$2 billion in capital expenses for the expansion. Its relatively insulated revenue streams are strong enough to sustain its shareholder dividends.

BCE stock is trading for \$65.68 per share at writing, and it boasts a juicy 5.33% dividend yield.

Foolish takeaway

If you have contribution room in your [Tax-Free Savings Account](#) (TFSA), the market volatility could be an excellent opportunity for you to pick up shares of high-quality companies at a bargain. Buying and holding the right dividend stocks in your TFSA could deliver substantial and tax-free long-term returns through reliable payouts and capital gains.

Fortis stock and BCE stock are two non-cyclical stocks that can continue generating strong cash flows through turbulent markets to provide you with reliable dividend payouts. These two income-generating assets could be excellent additions to your TFSA for this purpose.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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2. NYSE:FTS (Fortis Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:FTS (Fortis Inc.)

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