# 2 Top TSX Dividend Stocks to Ride Out Market Turmoil

### Description

Market volatility could continue for much of 2022, as investors assess the impacts of rising interest rates and threats posed by geopolitical risks. As a result, it might be a good idea to buy some defensive dividend stocks to stabilize the portfolio.



## BCE

**BCE** (TSX:BCE)(NYSE:BCE) just announced solid Q4 2021 results and raised the dividend by 5.1%. The Canadian communications giant saw its wireless business lead the way with strong new activations and a 6.3% increase in service revenue.

BCE's wireline operations also had a strong quarter with a 7% increase in net internet subscriptions and a 38.3% jump in subscribers to the IPTV service.

The media group continued its recovery as digital revenues jumped 36%, helping drive an overall 7.3% gain in total revenue growth for the division.

BCE is accelerating its 5G network rollout and continues to run new fibre optic lines to the premises of its retail and business clients.

Management provided solid guidance for 2022 with revenue growth expected to be 1-5%, earnings-per-share growth of 2-7% and free cash flow growth of 2-10%.

The new quarterly dividend of $0.92 per share provides an annualized yield of 5.45% at the current share price near $67.50.

## Enbridge

**Enbridge** (TSX:ENB)(NYSE:ENB) trades near $54.50 per share at the time of writing and provides a 6.3% dividend yield. The board raised the payout by 3% for 2022, extending the streak of consecutive annual dividend hikes to 27 years.

The worst of the pandemic should be in the rearview mirror for Enbridge's oil pipelines that saw a drop in throughput due to the plunge in fuel demand in 2020. As the economic recovery picks up steam, oil and natural gas demand is expected to increase. Gasoline and jet fuel demand is expected to rise in the second half of 2022, as office workers hit the highways again, and airlines boost capacity to meet growing travel bookings.

Enbridge won't likely build another major oil pipeline, but the company still has significant smaller growth opportunities across its portfolio of oil, natural gas, and renewable energy assets. The company added $1.1 billion in natural gas and renewable energy projects to the capital plan when it announced the 2022 outlook. Enbridge is also open to making strategic acquisitions to drive revenue growth.

Management expects distributable cash flow to grow by 5-7% per year over the medium term. Dividend increases could be in the same range.

The stock looks attractive at the current price. A rebound in fuel demand should keep Enbridge's pipelines running at near capacity for the coming years and the value of the existing infrastructure should increase with no new major oil pipeline projects expected to be built.



## The bottom line on top dividend stocks to buy now

BCE and Enbridge pay growing dividends that offer above-average yields. The stocks should hold up well during market volatility and any pullbacks in the share prices would be good opportunities to add to positions. If you have some cash to put to work right now, these stocks should be attractive, defensive dividend picks.

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