



## Earn up to 6.3% Passive Income From 2 Stocks With Economic Moats

### Description

The TSX isn't off to a great start in 2022. However, it's still the best marketplace to earn passive income to [cope with rising inflation](#). If you don't want to lose sleep over your investments, consider making **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) and **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) your anchor holdings.

Both companies are not only industry leaders but also generous dividend payers. Your income streams should keep flowing regardless of the economic environment. More importantly, the [investment income](#) will not diminish your purchasing power.

### Five-star investment

On February 3, 2022, Canada's most dominant telecommunications company announced a 5.1% increase in dividends. At \$67.93% per share, BCE pays a 5.45% dividend. In Q4 2021, cash flow from operating activities increased 6.9% to \$1.74 billion versus Q4 2020. It was one of the reasons for the decision to hike the yield.

Mirko Bibic, concurrent president and CEO of BCE and Bell Canada, said the 36% growth in Bell Media's digital revenue contributed 7.3% to total media revenue growth. For the full-year 2021, operating revenues and net earnings increased 2.5% and 7.2% compared to 2020.

The annual residential net subscriber performance was also the best in 10 years. Glen LeBlanc, CFO for BCE and Bell Canada, said BCE has nearly recovered from the pandemic's impact. Its wireless service revenue growth reached approximately 99% of 2019 consolidated revenue and adjusted EBITDA in 2021.

Bell continues to hold the leading position in the 5G network rollout. As of year-end 2021, its 5G service covers 70% of Canada's total population. Notably, BCE is one year ahead of its 2021 accelerated network expansion target. Besides the one million Wireless Home Internet (WHI) locations, the expansion of its direct fibre footprint in large and small communities is ongoing.

Bibic said, "Looking ahead to 2022, our financial guidance is underpinned by a positive financial

profile.” He stresses that all three Bell operating segments have sound industry fundamentals. BCE is no doubt a five-star investment for risk-averse and passive investors.

## Top-tier dividend stock

Enbridge is a [buy-and-hold](#) dividend aristocrat. This \$110.42 billion energy infrastructure company boasts 27 consecutive years of dividend growth. Performance-wise, the total return in the last 46.12 years is 52,952.81% (14.57% CAGR).

If you invest today, the top-tier energy stock trades at \$54.72 per share (+10.75%, year-to-date) and pays a hefty 6.31% dividend. Besides the utility-like business model, Enbridge maintains a sound balance sheet that should grow because of high-return projects. The payouts should be sustainable as it's well-positioned to generate incremental cash flows.

Notwithstanding the impressive dividend growth streak, some industry experts believe Enbridge remains prudent with its dividend increases. The annual cap under the current capital spending program is \$2 billion. Moreover, management has achieved its guidance in the last 16 years.

Management will present its Q4 2021 and full-year results later this week. Market analysts predict 31.5% and 41.9% increase in quarterly earnings and revenue versus Q4 2020. The latest buzz is Enbridge's partnership with four Treaty Six Nations and the Lac Ste. Anne Métis Community to expand a proposed carbon capture and transportation project in Edmonton.

## Sleep easy

Invest in BCE and Enbridge if you want to sleep easy and not worry about the market noise. Besides their economic moats, the dividends are fantastic.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:ENB (Enbridge Inc.)

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