



2 TSX Behemoths to Buy

Description

Dividend stocks are some of the most popular investing options for Canadian investors. People love these stocks, because your money goes to work for you, and, over time, reinvested dividends can compound into huge gains.

The TSX is home to many high-quality dividend stocks across Canada's top sectors such as utilities, energy, telecom, and banking. This gives Canadian investors a wide variety of stocks to choose from when building their dividend-generating portfolios.

However, it's important for those investors on the hunt for juicy yields to be cautious of potential yield traps. Sometimes, stocks offer high yields that look attractive at first, but they lack the financial power to sustain those dividends.

As a result, those stocks usually slash dividends and leave investors worse off than if they had just stuck to more proven stocks. Today, we'll look at two TSX blue-chip stars that offer reliable dividends to Canadian investors.

Telus

Telus ([TSX:T](#))([NYSE:TU](#)) is a massive Canadian telecom stock with a reputation as one of the top dividend stocks on the TSX. This blue-chip behemoth offers investors a nice blend of growth and stability, ultimately leading to solid returns over time.

Telus offers a wide range of products and services in the telecom space and beyond. This diversification is what allows it to offer investors that mix of share price growth and dividend security.

Beyond its rock-solid positioning in the Canadian telecom space, it also has ventures such as Telus Health. This digital healthcare service is on the cutting edge of its industry, and this growing sector could be a key component for the stock's growth moving forward.

As of this writing, Telus is trading at \$32.25 and yielding 4.06%. As we've covered, there are dividend

stocks out there paying higher [dividends](#). However, those stocks might not offer the stability and reliability that Telus does.

4.06% is really nothing to sneeze at either. Over time, that dividend could add up to some serious gains for investors.

Fortis

Fortis ([TSX:FTS](#))([NYSE:FTS](#)) is a large utility-service provider based in Canada. It's long been considered one of the safest [dividend stocks](#) for Canadian investors.

The reasoning for this reputation is fairly straightforward, as FTS offers its utility services largely through regulated contractors.

As such, its revenue sources are extremely secure and predictable. Demand is practically constant due to the nature of its business.

This is why we've seen FTS display a bulletproof track record for paying its dividends to investors. Canadians looking for stable dividend stocks should definitely be interested in FTS.

As of this writing, FTS is trading at \$58.31 and yielding 3.67%. Once again, that's definitely not the most mouthwatering yield around, but it is real solid considering it's attached to FTS.

Investors looking for a stock that is resilient to most market forces and has a solid yield should check out FTS.

Dividend stock strategy

Both Telus and FTS could be key cogs in a dividend stocks portfolio for Canadian investors. They both offer unique benefits and could provide great total returns for investors over time.

CATEGORY

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2. NYSE:TU (TELUS)
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