



Dividend Investors: 3 Attractive Stocks for Your TFSA

Description

Dividend investors now have an extra \$5,500 in TFSA contribution room, and the stock market is finally serving up a variety of top stocks at very attractive prices.

Here are the reasons why I think **BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)), **TransCanada Corporation** ([TSX:TRP](#))([NYSE:TRP](#)), and **Sun Life Financial Inc.** ([TSX:SLF](#))([NYSE:SLF](#)) should be on your TFSA radar.

BCE

BCE holds a dominant position in an industry with few competitors. That's the kind of business that dividend investors should get excited about.

The company continues to invest in its world-class mobile and wireline networks to ensure customers have access to all the data-heavy content they desire. As a result, TV, Internet, and mobile subscriptions are rising and free cash flow is increasing at a healthy clip.

BCE also owns a strong portfolio of media assets such as sports teams, radio stations, a television network, and specialty channels. The company is so well integrated along the value chain that most Canadians add a bit of cash to the pockets of BCE's shareholders every month, whether directly through subscriptions or indirectly through the consumption of content.

The stock pays a quarterly dividend of \$0.65 per share that yields about 4.8%.

TransCanada

TransCanada has been under pressure for the past year, but I think the selloff is overdone.

The stock is down more than 25% in the past 12 months on fears the oil rout will limit the company's growth opportunities. President Obama's rejection of the Keystone XL pipeline also hit the stock, and investors are unsure if the massive \$16 billion Energy East project will be built by 2020, if at all.

Despite the difficulties, TransCanada still has \$11 billion in other projects that will be completed and in service by 2018. The company is winning new deals in Mexico and continues to add strategic assets to its power generation fleet.

This means revenue and cash flow available for dividend increases should continue to rise in the coming years.

TransCanada pays a quarterly distribution of \$0.52 per share that yields 4.8%.

Sun Life

Sun Life has recovered from the beating it took during the Great Recession, and the company is now squarely focused on growth opportunities.

Recent acquisitions in the U.S. have improved Sun Life's position in the asset management space. This will provide a nice complement to the existing insurance and wealth management operations.

Overseas, Sun Life is enjoying strong results from its Asian assets, and new developments in India could prove to be very lucrative for the company in the coming years.

An adjustment to Indian investment rules has allowed Sun Life to boost its ownership of its Birla Sun Life partnership from 26% to 49%. The Indian insurance market is expected to grow significantly in the next 10 years, and Sun Life is well positioned to benefit from that trend.

Sun Life increased its dividend twice in 2015. The quarterly distribution is \$0.39 per share and yields 3.9%.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:TRP (Tc Energy)
3. TSX:BCE (BCE Inc.)
4. TSX:SLF (Sun Life Financial Inc.)
5. TSX:TRP (TC Energy Corporation)

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