



TFSA Investors: 5 Dividend-Growth Stocks to Buy Now

Description

In 2009 the Tax-Free Savings Account (TFSA) program began, offering Canadians who are 18 and older the opportunity to set money aside tax free throughout their lifetimes.

Contributions to a TFSA are not deductible for income tax purposes, but any amount contributed as well as any income earned in the account, including capital gains, dividends, and interest, is essentially tax free, even when it's withdrawn.

If you don't already have a TFSA, you should strongly consider opening and contributing to one, and if you do already have one, here are five great dividend-growth stocks that you could add to it today.

1. Canadian Utilities Limited

Canadian Utilities Limited ([TSX:CU](#)) is a diversified global corporation with operations in the following industries:

- Electricity: power generation, distributed generation, and electricity distribution, transmission, and infrastructure development
- Pipelines & Liquids: natural gas transmission, distribution, and infrastructure development, energy storage, and industrial water solutions
- Retail Energy: electricity and natural gas retail sales

It pays a quarterly dividend of \$0.325 per share, or \$1.30 per share annually, which gives its stock a yield of approximately 3.5% at today's levels. It's also very important to note that the company's 10.2% dividend hike in January has it on pace for 2016 to mark the 44th consecutive year in which it has raised its annual dividend payment.

2. Canadian Natural Resources Limited

Canadian Natural Resources Limited ([TSX:CNQ](#))([NYSE:CNQ](#)) is one of the world's largest independent producers of crude oil and natural gas.

It pays a quarterly dividend of \$0.23 per share, or \$0.92 per share annually, which gives its stock a yield of approximately 2.4% at today's levels. It's also very important to note that the company has raised its annual dividend payment for 15 consecutive years, and although it has been under pressure as a result of lower commodity prices, I think its ample amount of operating cash flow will allow it to continue this streak in 2016.

3. Canadian REIT

Canadian REIT (TSX:REF.UN) is one of Canada's largest real estate investment trusts with ownership interests in 197 retail, industrial, and office properties across the country.

It pays a monthly distribution of \$0.1525 per share, or \$1.83 per share annually, which gives its stock a yield of approximately 3.9% at today's levels. It's also very important to note that the company's two distribution hikes since the start of 2015, including its 2.9% hike in June 2015 and its 1.7% hike last month, have it on pace for 2016 to mark the 15th consecutive year in which it has raised its annual dividend payment.

4. Transcontinental Inc.

Transcontinental Inc. ([TSX:TCL.A](#)) is Canada's largest printer with operations in print, flexible packaging, publishing, and digital media. It's also one of the country's leading providers of proximity media solutions.

It pays a quarterly dividend of \$0.185 per share, or \$0.74 per share annually, which gives its stock a yield of approximately 4.1% at today's levels. It's also very important to note that the company's two dividend hikes since the start of 2015, including its 6.3% hike in March 2015 and its 8.8% hike in March of this year, have it on pace for 2016 to mark the 15th consecutive year in which it has raised its annual dividend payment.

5. Finning International Inc.

Finning International Inc. ([TSX:FTT](#)) is the world's largest Caterpillar dealer. It sells, rents, and provides parts and services for equipment and engines to customers in various industries across western Canada, Chile, Argentina, Bolivia, the United Kingdom, and Ireland.

It pays a quarterly dividend of \$0.1825 per share, or \$0.73 per share annually, which gives its stock a yield of approximately 3.2% at today's levels. It's also very important to note that the company's 2.8% dividend hike in May 2015 has it on pace for 2016 to mark the 15th consecutive year in which it has raised its annual dividend payment.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. TSX:CNQ (Canadian Natural Resources Limited)

3. TSX:CU (Canadian Utilities Limited)
4. TSX:FTT (Finning International Inc.)
5. TSX:TCL.A (Transcontinental Inc.)

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