

## TFSA Investors: 2 Best Dividend Stocks for the Next Decade

### Description

For investors using their Tax-Free Saving Accounts (TFSAs) to build wealth, dividend stocks are their best friends.

If you buy the right investments, dividends will always be there, even during the most difficult times.

But the trick here is to find companies that have long histories of paying dividends and have been through some of the worst business cycles; they can withstand the economic shocks.

Once you've picked the best dividend stocks for your TFSA portfolio, you can relax and see how dividend payouts, year after year, will boost your returns, while you reinvest them to buy new shares.

Another great advantage of investing in dividend-paying companies is that dividends are taxed efficiently, and you're much better off at the time of your retirement.

Here are two best dividend-paying stocks that you might consider adding to your TFSA portfolio.

### Rogers Communications

Shares in **Rogers Communications Inc.** ([TSX:RCI.B](#))([NYSE:RCI](#)), Canada's second-largest telecom operator, have surprised analysts, as they've surged 25% this year.

This is a remarkable performance when you look at other telecom operators, which have barely budged this year. Rogers's strength is coming from a growing number of wireless subscribers that boosted profitability by 35% in the second quarter; it's also because of and investors' optimism regarding the new CEO, Joe Natale.

Natale, who took over this April following his successful stint at **Telus**, wants to focus on improving the customer service at Rogers, which has long been blamed for the high customer turnover.

With a dividend yield of 2.96%, Rogers stock may not look too exciting to some TFSA investors. But I think this yield still remains attractive considering other risky alternatives.

And as far as the dividend growth is concerned, Rogers has increased its dividend every year for the past five years. Its dividend payout has increased about 22% during this period until 2016.

### Bank of Montreal

Canada's big banks provide stability and dividend growth to your TFSA portfolio, and **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) is on top of that list.

With the current dividend yield of ~4%, BMO stock has a long history of rewarding its customers with dividend payouts. The bank has mailed dividend cheques to investors every single year since 1829 — one of the longest streaks of consecutive dividends in North America.

And there is no reason to believe that this practice is going to end anytime soon, given BMO's revenue growth and its expansion in North America.

For long-term income investors, it's a good time to buy Canadian bank stocks after a recent pullback in their share prices on concerns that the nation's overheated housing market will hurt their mortgage portfolios.

BMO stock, for example, is trading ~7% down this year at \$90.50 a share. But long-term investors will benefit from growing revenues, dividends, and a stock price that should start its upward journey after a brief break.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:RCI (Rogers Communications Inc.)
3. TSX:BMO (Bank Of Montreal)
4. TSX:RCI.B (Rogers Communications Inc.)

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