



TFSA Investors: Should You Buy This News and Information Company?

Description

If you are looking to add an information company with bold plans to your portfolio, here's one for you to consider: **Thomson Reuters Corp.** ([TSX:TRI](#))(NYSE:TRI).

Thomson Reuters, which has roots back to the late 1700s, is a news, information, and analytics company that provides detailed information to clients in the following areas: taxes and accounting, finance and risk, and legal areas. It also operates the *Reuters* news service.

What makes Thomson Reuters an interesting prospect?

Thomson Reuters has put up some good numbers recently. Its second-quarter results, announced in August, were U.S.\$0.60 per share, beating the analyst consensus of U.S.\$0.52 per share. This beat last year's second quarter by 20%. The company has an industry-leading net profit margin of 9.47% and currently offers earning per share of \$1.70.

While revenue has declined slightly over the last three years, earnings growth for the stock has averaged 107.81% per year over the same time period — far above the industry average of 67.48%.

The company was in the news this week for pledging \$100 million to help its technology hub grow and find a permanent home in Toronto. The company has bought up naming rights for a large office space that used to be home to Southam Press. This is on top of last year's announcement to add 400 tech jobs over two years dedicated to new technologies. These planned R&D announcements are important for a company that prides itself on providing stellar information results.

Why would this stock do well in a TFSA?

If you are an income investor, Thomson Reuters offers a nice dividend, so you can protect your dividend payouts from taxes in your TFSA. The company currently pays a quarterly dividend of U.S.\$0.345 per share for an annual payout of U.S.\$1.38 per share. This gives it a yield of 3.05%. The company has increased its dividend payout by U.S.\$0.005 per share each year over the past five years. It's nice to see a steadily increasing payout.

Investor takeaway

There are a lot of good numbers being put up by Thomson Reuters right now, and the company is showing a commitment to investing in its future. If you'd like a dividend-paying stock with potential for continued success, consider adding Thomson Reuters to your Foolish portfolio.

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