

With Only a Few Days to Go Till the New Year, Here Are the Best Stocks to Add to Your TFSA!

Description

With January right around the corner, investors can once again begin pondering what to do with their new Tax-Free Savings Account (TFSA) contributions. For 2018, the Canada Revenue Agency (CRA) has already confirmed that the maximum contribution room would remain at \$5,500.

Although many investors had hoped for an additional \$500 of contribution room, the 2018 amount will remain at the same level it's been since 2016, bringing the lifetime TFSA contribution room to \$57,500 for those who were the age of majority (or older) at the time the new registered plan was introduced in 2009.

With no mandatory end date, Canadians have the opportunity to select the best securities to buy and hold for a long time. One of the best areas to begin with are Canada's insurance companies, which operate in a business that is long term in nature. The biggest company by market capitalization is none other than **Manulife Financial Corp.** ([TSX:MFC](#))([NYSE:MFC](#)). At \$26.50 per share, Manulife pays investors a quarterly dividend equating to more than a 3% dividend yield.

In addition to receiving 50% more than the risk-free rate of return as a dividend, investors are getting shares of a Canadian icon at slightly less than 1.2 times book value. As dividends continue to increase, this name may just be the best dividend-growth opportunity for investors over the next decade.

After the insurance sector, shares of **Pure Multi Family REIT** (TSXV:RUF.UN) offer investors a dividend yield in excess of 6.25%, as shares continue to trade at a 13% discount to tangible book value. As the company now carries a market capitalization of almost \$600 million, investors should become more familiar with this name, as 2018 may mark the introduction of [this REIT](#) to the big board: the TSX. This could drive the share price much higher.

As the company owns and operates multi-family residential properties in the sunbelt states, revenues and earnings are in U.S. dollars, which are then converted into Canadian dollars. A strong U.S. dollar will continue to benefit this name.

Last on the list is **Quebecor, Inc.** ([TSX:QBR.B](#)), which, at a current share price of less than \$24, trades at less than 11 times trailing earnings. Although the dividend yield is a measly 0.5%, investors are not buying this name for income, but for capital appreciation.

With close to \$750 million on the balance sheet, this company may just be the next share-buyback champion. With only 120 million shares outstanding, less than \$300 million would be required to shrink the company's footprint by 10%. Clearly, investors in this name have realized something before the rest of the market.

With many excellent opportunities to add into any TFSA account, investors need to be concerned about finding excellent opportunities.

Happy [investing](#) in 2018!

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. TSX:MFC (Manulife Financial Corporation)
3. TSX:QBR.B (Quebecor Inc.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing

Tags

1. Editor's Choice

Date

2025/09/11

Date Created

2017/12/29

Author

ryangoldsman

default watermark

default watermark