



## TFSA Investors: 3 Top Canadian Stocks to Get U.S. Exposure

### Description

Investors are searching for ways to benefit from a strong U.S. economy through Canadian stocks.

Let's take a look at three companies that might be [attractive picks](#) today.

#### **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#))

TD is primarily known for its Canadian operations, but the company actually has more branches south of the border than it does in the home country. The U.S. businesses, which include retail banking and the company's part of TD Ameritrade, provides more than 30% of the net income and offers investors a nice hedge against any potential weakness in the Canadian economy.

TD does a good job of sharing the profits with investors through share buybacks and dividends. The bank has raised the dividend by a compound annual growth rate of more than 10% over the past 20 years. At the time of writing, the stock provides a yield of 3.5%.

#### **Fortis Inc.** ([TSX:FTS](#))([NYSE:FTS](#))

Fortis owns natural gas distribution, power generation, and electric transmission assets in Canada, the United States, and the Caribbean.

The business started out as a small electric utility company back in 1885, but things have changed over the past 130 years. Through strategic acquisitions and organic developments, Fortis is now a powerhouse in the North American utility sector.

Recent acquisitions include the 2016 purchase of Michigan-based ITC Holdings and the 2014 takeover of Arizona-based UNS Energy. The new assets are performing as expected, and Fortis plans to raise its dividend by 6% per year through 2022.

Investors should feel comfortable with the guidance, as Fortis has increased the payout every year for more than four decades. The dividend currently provides a 4% yield.

## TransCanada Corporation ([TSX:TRP](#))([NYSE:TRP](#))

TransCanada bought Columbia Pipeline Group in 2016 in a US\$13 billion deal that added strategic assets in the Marcellus and Utica shale plays as well as important infrastructure running from Appalachia to the Gulf Coast.

The company has \$24 billion in near-term projects on the go that should be completed through 2021. As a result, management expects revenue and cash flow to improve enough to support dividend increases of at least 8% over that time frame.

The company has another \$20 billion in longer-term developments under consideration, including Keystone XL.

TransCanada has a long history of dividend growth, and investors who buy now can pick up a yield of 5.2%.

### The bottom line

All three companies give investors good exposure to the United States without having to own U.S.-based stocks. If you have the cash available, it might be worthwhile to split a new position across the three names.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:FTS (Fortis Inc.)
3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:FTS (Fortis Inc.)
6. TSX:TD (The Toronto-Dominion Bank)

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