

# 1 Stock I'd Buy for My TFSA With an Extra \$5,500

## Description

When it comes to your TFSA, you should own high-quality blue-chip stocks that will allow you to unlock the true power of tax-free compounding over the long haul. Keep your speculative stocks out of your TFSA, because should such holdings sour in a hurry and you hit the sell button, you won't be able to use the capital losses to your advantage come tax time. Not to mention the fact that you'd also be robbing your future self of tonnes of potential dividend payments that could have been collected if you'd just invested in a good, old-fashioned dividend-paying stock.

**Nutrien Ltd.** ([TSX:NTR](#))([NYSE:NTR](#)) strikes me as a stock that would be the perfect fit for a long-term TFSA retirement fund. Formed from the merger of Potash Corporation of Saskatchewan and Agrium, Nutrien is the world's largest crop nutrient company. It's now better equipped than the sum of its parts to ride out the tough times that the fertilizer market has faced in recent years.

The company is slated to enjoy \$500 million in annual savings through synergies generated through the integration of the two companies. And while the synergy prospects relative to the sheer size of the merger may seem underwhelming to some analysts, including fellow Fool contributor [Chris MacDonald](#), I believe the new company represents a more compelling investment option for investors versus Potash Corp. or Agrium, as their combined expertise will pay dividends once the demand for agricultural commodities and services begins to strengthen.

Of course, there's a degree of integration risk, since these are two seemingly different firms; however, over the long haul, I think the economies of scale will begin to become more apparent to investors.

## Bottom line

Albeit untimely, Nutrien provides investors with a dirt-cheap way to obtain exposure to essential commodities that will eventually rebound in time when you consider promising long-term tailwinds.

At just 19.1 times forward earnings, I think Nutrien will be an absolute must-own stock for those looking for a stock to buy and forget about for decades. In the meantime, investors can collect a 2.8% dividend yield that could begin to grow like a weed, as the [broader basket of commodities prepares for a bounce back](#).

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## CATEGORY

1. Investing
2. Metals and Mining Stocks

## TICKERS GLOBAL

1. NYSE:NTR (Nutrien)
2. TSX:NTR (Nutrien)

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### **Author**

joefrenette

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