

## 3 High-Yield Dividend Stocks to Power TFSA Returns

### Description

Quality, high-yield dividend stocks held inside a Tax-Free Savings Account can help investors generate the returns they need to supplement monthly income or build a [nest egg](#) for retirement.

Let's take a look at three companies that might be worthy of a spot in your portfolio today.

#### **Power Financial Corp.** (TSX:PWF)

Power Financial is a holding company with interests in insurance and wealth management businesses in Canada. In addition, it has a stake in a European company, **Pargesa Holding SA**, which owns positions in a number of Europe's top global firms. Some of the names you might recognize are **Adidas**, **Total SA**, and **Pernod Ricard SA**.

As interest rates rise, insurance companies tend to see their bottom line improve, as they can generate better returns on the funds they have to make available to pay claims. When you're looking at billions of dollars sitting in term deposits, a modest 1% increase in the rate can have a big impact on the returns.

Power Financial put its dividend hikes on hold for a few years after the Great Recession, but improved results at the subsidiaries has led to renewed payout growth. At the time of writing, the dividend provides a yield of 5.65%.

#### **Algonquin Power and Utilities Corp.** ([TSX:AQN](#))([NYSE:AQN](#))

Algonquin Power owns renewable energy businesses, including wind, solar, and hydroelectric facilities, as well as natural gas distribution operations. Nearly all of the assets are located in the United States, which gives investors an opportunity to invest in the renewable sector south of the border through a Canadian company.

Algonquin continues to invest in organic developments as well as strategic acquisitions, which should support ongoing dividend growth. The company recently raised the dividend by 10%, so management appears comfortable with the cash flow outlook.

Investors who buy the stock today can pick up a yield of 5.2%.

#### **Northland Power Inc.** ([TSX:NPI](#))

Northland Power is another renewable energy player with wind, solar, and thermal facilities in Canada, Germany, and the Netherlands. The company currently runs assets generating 2029 MW of power with an additional 252 MW under construction.

In addition, Northland is participating in a major offshore wind development in Taiwan. The Hai Long 2 and Hai Long 3 projects have received environmental permits and will eventually have 1,044 MW of

offshore wind capacity. Northland has a 60% interest in the projects, which are scheduled to tie into the Taiwan grid by 2025.

Northland pays a monthly dividend of \$0.10 per share, which is good for an annualized [yield](#) of 5%.

### **The bottom line**

An equal investment in all three companies would give investors exposure to global businesses while generating an average yield of more than 5.25%.

Other opportunities exist today to power your TFSA returns.

### **CATEGORY**

1. Dividend Stocks
2. Investing

### **TICKERS GLOBAL**

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:NPI (Northland Power Inc.)

### **PARTNER-FEEDS**

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

### **Category**

1. Dividend Stocks
2. Investing

### **Date**

2025/10/02

### **Date Created**

2018/08/03

### **Author**

aswalker

default watermark

default watermark