



TFSA Investors: These 3 Dividend Stocks Are Beating the TSX Index in 2018

Description

The TSX Index (S&P/TSX Composite index), Canada's benchmark index, is up 6.7% since the beginning of 2017, but it's virtually unchanged this year — up just 1.1% since January. Needless to say, those aren't the type of returns that are going to help you become Foolishly rich, retire early, or buy that expensive Lamborghini you've always dreamed of.

But just because the market has been “missing in action” lately doesn't mean there isn't any potential to make money out there. Over the past year or so, there have been countless stocks helping Foolish investors make handsome sums of money.

Here are three companies that have been handily outperforming the TSX Index in 2018.

Have you ever heard about the company **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) before?

No? What if I asked if you had ever heard of Potash Corp, the world's largest fertilizer company? Would your answer be different?

Well, news flash: Nutrien is Potash Corp, plus there's the bonus that it added another one of the world's largest fertilizer companies to its portfolio, Agrium.

The two companies merged at the beginning of this year to form arguably the world's dominant vertically integrated potash and fertilizer company.

Taking Potash Corp's manufacturing capabilities and combining them with Agrium's leading retail network puts the newly formed Nutrien in an enviable position to meet the growing nutritional needs of the world's population — expected to reach 10 billion by 2050.

Investors have responded positively to the opportunity since the new company was formed, with NTR shares up more than 42% already from their early February lows.

So far in 2018, it's been **Enbridge** [grabbing most of the headlines](#); however, rather quietly, **TransCanada** ([TSX:TRP](#))([NYSE:TRP](#)) has continued to impress.

TRP shares, which yielded 4.90% heading into Friday's trading, are up a little more than 13.4% since the beginning of April.

Enbridge made a big push with its purchase of Houston-based Spectra Energy, but while the deal will be transformative in a good way, it's added a lot of debt to Enbridge's balance sheet, which may end up inhibiting the company's growth somewhat moving forward.

Meanwhile, TransCanada is a smaller, nimbler company that may offer more long-term potential.

TransCanada's board of directors is currently guiding for consecutive double-digit dividend increases over the next couple of years, which only make the current dividend that much more appealing.

They say you can never go wrong with an investment in the Canadian banks.

While I don't know if I would agree with that sentiment 100%, the Canadian banks have indeed been on a bit of a roll lately, and **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) has been performing as well as any with the shares up a little more than 38% going back to the middle of May last year.

TD shares are currently yielding 3.39% heading into Friday's trading, making them a worthwhile investment for your TFSA or even your RRSP, where you'll be able to take advantage of the magic of compound interest.

If TD doesn't quite "float your boat," you may want to take a closer look at stock in **Bank of Nova Scotia** — the company has, for the most part, been lagging its peer group on a relative basis in 2018 and may offer [superior value on a relative basis](#).

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