



## 2 Buy-and-Hold Canadian Dividend Stocks for Your TFSA in 2019

### Description

Happy 2019 from the Motley Fool Canada! You should be happy to know that you have \$6,000 of contribution room for your Tax-Free Savings Account this year, along with any remaining contribution room you may have from previous years, or any withdrawal amounts you made from previous years that you haven't contributed back yet.

If you don't know what to buy, here are a couple of good-value, [buy-and-hold Canadian dividend stock ideas](#) that you can consider right now.

### Toronto-Dominion Bank is in an outstanding position

For more than a decade, **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) has expanded into the U.S. market with great success. The U.S.'s population is about nine times that of Canada's. Additionally, the country is at the top of the world in terms of being the largest economy with a real gross domestic product of US\$18.6 trillion, which is about seven times that of Canada's.

That's why some analysts estimate that TD Bank will increase its earnings per share by 3-4% faster than its closest competitors among the Big Five banks. When compounded over many years, a difference of a few percentages will make a marked difference.



In November, TD Bank completed the acquisition of Greystone Capital Management, which helped broaden TD's investment offerings for its institutional clients. Greystone is focused on investing in alternative assets, such as infrastructure and real estate, which is an income-generating asset class that is largely uncorrelated with public markets.

Greystone adds \$35.6 billion in assets under management to TD's \$355.7 billion for a total of about \$391.3 billion, making TD Asset Management the largest money manager in Canada.

Right now, you can pick up TD stock at an 18% discount from its normal multiple at \$67.30 per share as of writing. It offers a yield of 4%, and if the North American economies chug along, the leading bank can very well increase its dividend by 7-12% per year for the next few years.

## Brookfield Asset Management is a good value

Remember the income-generating infrastructure and real estate assets that I mentioned earlier? It used to be that these lucrative cash cow assets could only be accessed by institutional investors. Gratefully, that's no longer the case!

You can invest in a globally diversified portfolio of real assets across multiple asset classes through one simple investment, **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)). BAM owns, operates, and manages real assets, including

1. A real estate portfolio with a core office and retail portfolio and an opportunistic portfolio, which aims for higher returns;
2. An infrastructure portfolio with operations across four sectors: utilities, transport, energy, and data infrastructure; and
3. A renewable power platform with a concentration in hydro and wind generation.

BAM also invests across multiple industries predominantly in business services, construction, energy, and industrial operations.

BAM aims for long-term returns of 12-15%. But wait ... since the stock is trading at a discount right now, you should be able to achieve higher returns. **Thomson Reuters** has a 12-month mean target of US\$52.60 per share on the stock, which represents near-term upside potential of more than 38% from the recent quotation of US\$37.89 per share. It doesn't matter if you buy the stock on the TSX or NYSE.

## Investor takeaway

You're in luck. The market correction has put TD Bank and [Brookfield Asset Management](#) — two quality, buy-and-hold dividend stocks — on sale. Invest in the stocks and watch them grow for a long, long time. Oh, your dividend income from these investments should also increase over time.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks

3. Investing

## TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BN (Brookfield)
4. TSX:TD (The Toronto-Dominion Bank)

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