
# 3 Stocks to Strengthen Your TFSA in Today's Market

## Description

The S&P/TSX Composite Index had climbed 6.2% in 2019 as of close on January 17. This is an impressive bump upward after a brutal finish to the prior year. Amazingly, the TSX is on pace to recoup its 2018 losses in January if this momentum continues. It is hard not to get excited about the sharp reversal, but investors should stay on their toes in early 2019.

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Today, I want to look at three stocks that are worthy additions to a TFSA right now. Each stock has offered solid capital growth in recent years while also providing attractive income for shareholders. Equities like these will be extremely valuable, as Canada and other developed nations adjust to a low-growth environment in the coming quarters.

## Scotiabank (TSX:BNS)(NYSE:BNS)

Scotiabank stock had climbed 7.4% in 2019 as of close on January 17. Shares are still down 10.4% year over year. Back in late December, I'd recommended that investors look to stack Scotiabank stock after it fell into oversold territory leading up to Christmas Day.

The bank is expected to release its first-quarter results in late February. GDP growth is set to slow to 1.7% in Canada this year, but Scotiabank boasts solid diversification. Its footprint in Latin American markets was a source of solid growth in 2018, and this will continue to be a focus this year.

Scotiabank last paid out a quarterly dividend of $0.85 per share. This represents a 4.5% yield. Scotiabank stock is veering into overbought territory in mid-January, so investors may want to await a pullback before jumping into this hot market.

## Genworth MI Canada (TSX:MIC)

Genworth MI Canada stock had climbed 9.1% in 2019 as of this writing. Shares were up 5.6% year over year. Genworth is expected to release its fourth-quarter results in early February.

The stability of the Canadian housing market has been a common topic of conversation and is often cited by the Bank of Canada in its evaluations of economic health. Genworth is a private residential mortgage insurer and managed to weather turbulence after insured buyers were subjected to a stress test starting in late 2016.

Genworth MI Canada last upped its quarterly dividend to $0.51 per share. This represents a 4.3% yield. Genworth stock last had an RSI of 63 as of close on January 17, indicating that the stock is pricey right now. Although Genworth is an attractive long-term hold, this is another case where investors may want to wait for better buying conditions.

## Suncor (TSX:SU)(NYSE:SU)

Suncor Energy stock had climbed 8.9% in 2019 as of close on January 17. The stock has bounced back nicely after suffering from severe volatility largely due to plummeting oil prices. Production cuts have eased the pain in early 2019, but energy giants will still have to contend with major challenges at current prices.

Suncor opposed the curtailment strategy laid out by Alberta, which has successfully propped up the price of Western Canadian Select (WCS). This is because Suncor has invested in refinery and retail businesses that have shielded the company from price differentials between WCS and West Texas Intermediate.

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Suncor had a fantastic fourth quarter, which saw production surge 12% from Q3 to 831,000 barrels of oil equivalent per day. Full results are set to be posted in early February. Suncor last paid out a quarterly dividend of $0.36 per share, which represents a 3.4% yield. The stock has rebounded into neutral territory and remains one of the top energy equities available on the TSX.

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