



TFSA Investors: Here's How to Boost Your After-Tax Income

Description

The stock market is full of surprises. Veteran players lose some and win big. But for newbie investors, picking a stock is always challenging. If risks are ever present, shouldn't an insurance company like **Sun Life Financial** ([TSX:SLF](#))([NYSE:SLF](#)) be your logical choice? And it's [a financial dividend stock](#).

Keep in mind that as an insurance company, Sun Life is in the business of protecting people from financial harm. Therefore, it should be worry-free when you invest in it. This is also a dividend-paying stock, but investor appetite isn't as heightened as compared to other banking and financial services stocks.

Uniqueness the insurance company

Insurance companies are evaluated differently from banks and financial institutions. There is a component of future liabilities. Sun Life is expected to shine through and pay all claims that may arise. Failure to do so would show a sign of instability and could lead to a ruined reputation.

But that is not the case with Sun Life. The company is known as the international leader in protection and wealth management services. Why not focus on the visible strengths of the company to see if [this stock is worth buying](#)? The rays of sunshine will help you make a decision.

Rays of sunshine

A strong legacy is the main strength of Sun Life. Ever since 1865, the company has been insuring lives. As the years went on, the company started offering wealth products, financial advisory, and asset management services.

Sun Life reported higher fourth-quarter earnings a day before the Day of Hearts this month. The much-ballyhooed expansion in Asia and its middle-class market is delivering the goods. Sun Life CEO Dean Connor said, "We saw very good sales growth right across the region."

Three countries, namely Hong Kong, India, and the Philippines, are making a huge impact. Many analysts thought Sun Life is highly dependent on the U.S. market. Earnings in America rose by 27% to \$121 million aided by the interest rate hikes and favourable tax reforms.

Let the sunshine in

Overall, 2018 was a solid year for Sun Life. For the last quarter alone, the company posted a \$718 million net income. Investors were rewarded with higher dividends two times. The 4.3% dividend yield is a fitting introduction of a passive income to greenhorn investors.

Opportunities are also plenty. The profit growth in China is looming. Sun Life expects the government to remove the ownership caps for foreign insurers. The retirement market in the U.S. could swell given the aging population. Sun Life's real estate and property management group is in expansion mode.

The shares of Sun Life are now trading a shade over \$37 after bottoming to \$31.92 on Christmas Eve last year. Simply look at the smashing success abroad and strong dividend growth. There is no financial harm if you decide to increase your exposure to this insurance company. Regardless of the market environment, it's time you bring your own sunshine.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:SLF (Sun Life Financial Inc.)

PARTNER-FEEDS

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

Category

1. Investing

Date

2025/08/25

Date Created

2019/02/22

Author

cliew

default watermark