



2 Top Dividend-Growth Stocks to Buy for Your TFSA Today

Description

Investors: are you looking for a dividend-growth stock that you can count on to add to your TFSA portfolio? In today's market, where we have a potential crisis looming, I would consider focusing on the more [defensive](#) names.

Here are two dividend-growth stocks you may want to consider adding to your [TFSA](#) for their strong track records and bright futures.

Metro ([TSX:MRU](#))

With a \$12.7 billion market capitalization and a 1.6% dividend yield, Metro continues to be a story of consistency, stability, and shareholder wealth creation.

These days, everything seems to be working for Metro, as earnings growth, dividend growth, and investor sentiment remain positive. Along with its recession-proof business, these factors can reasonably be expected to take Metro stock to new heights in 2019.

Metro stock has increased 134% in the past five years and has rallied 25% from October lows, as the market has rewarded defensive stocks.

This makes sense, as Metro's business is an economically insensitive one, as the company has continued to post strong results, and as dividend increases have been typical of the company.

To illustrate my case, 2018 EPS was \$0.63 versus \$0.51 in the same period last year for an increase of 23.5%, buoyed by the Jean Coutu acquisition.

The annual dividend was increased by 16% in 2017 to \$0.65 per share, by 10.8% in 2018, and by 11% in 2019 to the current \$0.80 per share.

Waste Connections ([TSX:WCN](#))([NYSE:WCN](#))

Waste Connections is beating expectations, raising its dividend and seeing its stock soaring in the last year.

With a 24% dividend-growth rate in 2016, a 17% dividend increase in the third quarter of 2017, a 16% increase in 2018, and an almost doubling of the share price since January 2016, Waste Connections has given investors the best of two worlds: dividend income and growth, and explosive capital gains.

Waste Connections is the third-largest solid waste company in North America, and with size and a clean balance sheet on its side, the company is well positioned to continue to return cash to shareholders and pursue its goal of consolidating its fragmented industry through acquisitions.

Year to date, the stock is up 12%. It has a one-year return of 23% and a five-year return of 194%.

Final thoughts

Both Metro and Waste Connections have very strong fundamentals that continue to drive dividend increases and higher stock prices.

I like their defensive qualities and their long-term growth prospects, and I like them as dividend-growth stocks for investors' TFSA portfolios.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:WCN (Waste Connections)
2. TSX:MRU (Metro Inc.)
3. TSX:WCN (Waste Connections)

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