



## Devour Dividends in Your TFSA With These 3 Stocks Yielding up to 6.8%

### Description

Last month, I'd discussed the [importance of RRSP utilization](#). Investors, particularly those in younger demographics, need to digest this point. However, my favourite investing vehicle remains the Tax-Free Savings Account (TFSA).

The TFSA is flexible and can be a fantastic vehicle for varying types of investors. It can be a lightning rod for those building a growth portfolio, and it can churn out tax-free income for more cautious investors. Today, we are going to look at three stocks that can help you gobble up dividends in your TFSA for years to come.

### AltaGas ([TSX:ALA](#))

AltaGas is a Calgary-based company that owns and operates a diversified basket of energy infrastructure businesses. Shares of AltaGas were up 29.7% in 2019 as of close on April 3. The stock was still down 23.3% from the prior year.

In 2018, AltaGas reported normalized EBITDA of \$1 billion, which was up 2.7% from the previous year. Roughly \$1 billion in capital growth projects are expected to come into service in 2019. The company forecasts normalized EBITDA in the range of \$1.2-1.3 billion in fiscal 2019. It also announced that it is pursuing \$1.5-2 billion in asset sales this year.

The board of directors last announced a monthly dividend of \$0.08 per share. This is a downgrade from its previous monster payout, but it still represents an attractive 5% yield.

### TransAlta Renewables ([TSX:RNW](#))

TransAlta Renewables is a Calgary-based company that operates through a North American Gas and Renewables division as well as an Australian Gas division. Shares were up 32.7% in 2019 as of close on April 3. The stock was up 17.9% year over year.

In 2018, TransAlta exceeded its outlook and posted comparable EBITDA of \$430 million. It forecasts comparable EBITDA between \$425 million and \$455 million in fiscal 2019. Cash distribution and adjusted from operations also beat expectations in 2018, but growth is projected to be more tepid in 2019. Back in late 2018, I'd discussed why [renewables were still a great target](#) for investors.

TransAlta last declared a monthly dividend of \$0.07833 per share. This represents a 6.8% yield. The company has achieved dividend growth for six consecutive years.

## Russel Metals ([TSX:RUS](#))

Russel Metals is a Mississauga-based metal distribution company. The stock was up 14.1% in 2019 as of close on April 3. Shares were still down 12.7% year over year as the metals sector suffered from volatility due to global trade tensions.

In 2018, Russel Metals reported revenue of \$4.16 billion compared to \$3.29 billion in the prior year. Net income grew to \$219 million over \$124 million and earnings per share increased to \$3.53 over \$2.00 in 2017. Increased prices from tariffs gave a boost to Russel Metals in 2018, which the company predicted when they were originally announced. Steel prices have softened but are projected to remain stable in Q1 2019.

The board of directors approved a quarterly dividend of \$0.38 per share in its Q4 2018 report. This represents an attractive 6.2% yield.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:ALA (AltaGas Ltd.)
2. TSX:RNW (TransAlta Renewables)
3. TSX:RUS (Russel Metals)

### PARTNER-FEEDS

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

### Category

1. Dividend Stocks
2. Investing

### Date

2025/09/11

### Date Created

2019/04/07  
**Author**  
aocallaghan

default watermark

default watermark