



## TC Energy LP (TSX:TRP): The Top Canadian Dividend-Growth Stock to Own in Your TFSA Today

### Description

The fear of rising interest rates has subsided with the changing tones of central banks and the changing economic landscape. When we are considering which investments to make in our TFSA, this information should definitely be considered.

Whatever you are using your [TFSA](#) for, whether it is to save for something specific or to just take advantage of the tax-free haven that it offers for your long-term wealth creation, strong dividend-paying stocks have a place in your portfolio.

And with the reality being that interest rates will not go higher any time soon, stocks like **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) come out looking like star additions to your TFSA portfolio for steady, predictable growth and [dividend income](#).

Up 27% from its December 2018 lows, TC Energy stock has been on a tear, as the market digests the new interest rate environment as well as the company's impressive track record of shareholder value creation.

And now that the macro environment is the right one for the stock, we have many factors giving the stock a boost right now.

This is highlighted in the company's latest quarterly result, the first quarter of 2019, where the company posted a 9% increase in EPS and an 11% increase in funds from operations.

TC Energy stock has more than doubled in the last 10 years, all while delivering yearly dividend increases, which has brought the dividend per share from \$1.52 to \$3.

After an 8.7% dividend increase in February 2019, the company has guided to 8-10% annual dividend growth through to 2021. With a current dividend yield of 4.76%, TC Energy provides a healthy level of dividend income for shareholders, underpinned by a strong history of developing and maintaining energy infrastructure (more than 65 years), while handsomely rewarding shareholders.

It's truly a high-quality, consistent, stable company whose reputation and history is unmatched.

## Visibility has rarely been better

TC Energy is advancing \$30 billion of secured growth projects and over \$20 billion of projects are under development.

All will be supporting continued growth in future years with a well laid-out plan for funding 2019-2020 capital-expenditure plans, consisting mostly of using funds generated from operations, which will be over \$20 billion. Continued asset sales, the dividend re-investment plan, some debt and hybrid securities are also options.

So, it seems that TC Energy is well capitalized to pursue its growth opportunities all while keeping its debt to EBITDA ratio below five times. It is currently at 4.6 times.

## Final thoughts

TC Energy reported first-quarter 2019 results that once again prove to investors that this is a dividend stock that is worth owning today and well into the future for stability, predictability, and shareholder wealth creation.

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1. Dividend Stocks
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### Date

2025/08/23

### Date Created

2019/05/07

### Author

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