



## 2 Dividend Stocks That'll Give You Decades of Passive Income

### Description

Canadian investors are constantly looking for ways to supplement their income. While the Tax-Free Savings Account (TFSA) offers the perfect opportunity to do this, it can be a daunting task when it comes to choosing which stocks are the best options.

Whether you're a baby boomer nearing retirement or a millennial looking to build their savings, the same strategy applies. The best stocks to use for a TFSA are those that offer a stable dividend yield that has a history of steady payouts and increasing that dividend yield.

If you're that future retiree looking for some passive income to provide a cushion to your pension or the millennial looking to reinvest that income for a rainy day, using this strategy means you'll have decades of income coming in for those purposes. Let's look at two great options that can get you there.

### TC Energy

Since the market fall-back in December, **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) shares have been on a steady incline over the last six months. That incline has steadied around \$65 per share in the last month, which is well below the \$75 mark analysts estimate it could jump to in the next 12 months.

This growth comes partly from the company's [secured capital program](#) of \$30 billion. These projects are set to be complete by 2023, with about \$7 billion worth of them done by the end of this year. These projects will add to the company's already solid base of steady cash flow and support its dividend for decades to come.

As of writing, that dividend yield sits at 4.55% and has been increased for 18 consecutive years, with management increasing the dividend by 8.7% back in February off the heels of a strong first quarter. That increase is set to continue by 8-10% per year through to 2021, according to management.

An investment of \$31,750 today (half of your contribution room) would bring in \$1,467 of annual passive income.

## Nutrien

While **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) might be a new company, this stock is set for some major growth over the next few decades. Nutrien is in the process of becoming the largest market share of the crop fertilizer, seed, and protection industry.

What it comes down to is that the world is running out of room. As our populations continue to rise, cities will need more land to grow food to support these populations. That's why a company like Nutrien is so valuable.

The company is an opportunity for investors to get in on the ground floor. Nutrien continues to acquire more companies with its strong operating cash flow, growing its market share. In the meantime, it's also putting itself forward as the future of farming, with the industry's only integrated digital platform, making farming and operations more efficient.

And it's not just in North America. Potash continues to be in demand, especially in countries like China and India, of which Nutrien is a large provider. As their populations increase, so too will Nutrien's bottom line.

Again, it might be new, but shareholders are already feeling the love. The company has started a repurchase program to buy up to 50.4 million shares. It also offers a 3.51% dividend yield as of writing that was [just increased](#) by 7.5%.

In the next 12 months, analysts expect the stock to rise to about \$80 per share — an almost 15% increase from its share price as of writing. In addition, there's the \$1,039.36 you'll receive annually from the dividend of a \$31,740 investment.

## Bottom line

It may take money to make money, but if you choose the right stocks, you'll be looking at way more money down the road than you ever thought possible. Dividend stocks are the perfect way to build your income over the long term. But in the short term, reinvesting these stocks will mean you'll just have even more cash to play with come retirement.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:NTR (Nutrien)
2. NYSE:TRP (Tc Energy)
3. TSX:NTR (Nutrien)
4. TSX:TRP (TC Energy Corporation)

### PARTNER-FEEDS

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

### **Category**

1. Dividend Stocks
2. Investing

### **Date**

2025/07/03

### **Date Created**

2019/06/16

### **Author**

alegatewolfe

default watermark

default watermark