TFSA Investors: 3 Stocks That Pay up to 6%

Description

A high-yielding stock can be a great way to grow your TFSA over the years. Although stocks that raise their payouts may be attractive buys and be a bit safer, investors might be waiting years for them to make up the difference on yields that are already high today. Below are three stocks that already pay good yields and that you can use to start building your wealth.

NFI Group (TSX:NFI) is a dividend stock that not only pays a strong yield today but that has also increased it over the years as well. With quarterly payments of 42.5 cents every quarter, investors will be earning around 5.2% per year, which is an above-average payout. Those payments are up more than 13% from the 37.5 cents that the company was paying towards the end of 2018. While I wouldn't expect the company to continue increasing dividend payments by such a large amount, it's a good indicator that NFI is looking to help create value for its shareholders.

What makes the stock an even more attractive buy is that by focusing on more environmentally friendly buses, there could be a lot of growth for the company over the long term. Although there's definitely a demand for zero-emission vehicles today, it's a going to take years for manufacturers like NFI to make that a reality. When that does happen, however, the stock could be a hot buy — not just for its dividend.

Sienna Senior Living (TSX:SIA) is another stock that can provide investors with good prospects for both growth and dividend income. Although it may not hike its payouts as often as NFI does, it provides more frequent payments. Sienna pays its shareholders on a monthly basis and payments of 7.65 cents mean that investors would be earning around 4.6% today.

With Sienna, investors don't have to wait around for long to see growth, as they'll benefit as the number of elderly Canadians continues to rise, giving its senior living facilities even more demand. And the proof has been in the results as since 2011; the company's sales have more than doubled. Sienna has also turned a profit in each of the past four years, as it's proving to be a very solid long-term investment.

Whether you're looking for dividend income or growth, Sienna could be a great fit for your portfolio.

Chorus Aviation (TSX:CHR) may not have as exciting of growth prospects as NFI or Sienna, but it makes up for that with a higher dividend than both of those stocks. At more than 6% per year, the stock can be a great source of recurring income for investors as it too makes payments on a monthly basis.

What makes Chorus an intriguing buy is that airlines have come into the spotlight lately with news that **WestJet** would be going private and **Air Transat** being acquired by **Air Canada**. With fewer airlines to invest in, Chorus could attract a lot more attention from investors, and potentially could be taken over as well, which could produce some good returns for investors.

An acquisition is certainly no guarantee of happening, but it underscores why the stock might be worth an investment today. Already in 2019, the stock has risen more than 35%, and I wouldn’t be surprised if it picks up, especially as options become more limited for aviation investors.

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TICKERS GLOBAL

1. TSX:CHR (Chorus Aviation Inc.)
2. TSX:NFI (NFI Group)
3. TSX:SIA (Sienna Senior Living Inc.)

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