
3 Wide-Moat Dividend Stocks to Buy for a TFSA

### Description

With proper financial planning, a Tax-Free Savings Account (TFSA) can set an investor up for a very comfortable future. However, with so much uncertainty in the markets, it's hard for a new TFSA investor to know where to look.



Today let's review three of the most stable stocks on the **TSX**, drawn from classically defensive industries, including the mega-trending growth sector of renewable energy.

## Tap into renewable super-growth

Financials, telecoms, and energy are often seen as three of the safest dividend-paying areas for stock investments. This week's top renewable energy pick, **Brookfield Renewable Partners** (TSX:BEP.UN)(NYSE:BEP), is possibly one of the best stocks of the three.

Investors can earn juicy passive income safe in the knowledge that they've got some of the world's best asset management expertise on tap.

Up by 6.27 over the last five days as the market seeks low-risk, high-yield assets, Brookfield offers a great way for income investors to gain access to recession-proof dividends drawn from hydroelectric, solar, wind, and thermal sources across operation in Europe and the Americas. A suitably high yield of 5.24% is on offer.

## A market-leading telecoms stock

Paying a 4.81% yield and holding a dominant position as one of the three top Canadian telecom companies, the investment thesis for **Telus** (TSX:T)(NYSE:TU) is a strong, low-risk, and sensible play for the long-term.

Why get invested instead of its two main competitors? Unlike **Rogers** and **BCE**, Telus is focused on telecoms and doesn't have a stake in the content streaming wars. It also runs what is perceived to be the best wireless network in Canada – talk about a wide moat in a lucrative field.

Telus is currently down a few points after a change of leadership was announced last week, but this just makes the stock all the more appealing at the moment for value investors. The news comes amid a big push into 5G in Alberta, which will see $16 billion poured into the high-speed internet rollout.

## A defensive banking pick

One of the best things about **Scotiabank** (TSX:BNS)(NYSE:BNS) is its access to Latin American markets. With key operations throughout the Pacific Alliance bloc, Scotiabank can add geographical diversification to a portfolio centred around income from markets focused mostly on Canada and North America.

Financials investors seeking solid dividends have a 4.72% yield on offer here, which is well covered by steady, moderate growth.

A housing crash could take a serious chunk out of Scotiabank's income, however, especially if it were to coincide with lower interest rates, which would logically impact the Big Five's bottom lines.

However, in the absence of any major market-shaking events, Scotiabank is a solid choice for TFSA investors looking to add wide moat financials to their stock holdings.



## The bottom line

Investors looking for a common sense and practical investment strategy could consider holding all three of the stocks listed above over the long term.

Their defensive and stable dividends make them all strong candidates for a TFSA or other long-term portfolio centred around safe passive income, and are diversified enough to reduce the risk of overexposure to any one industry.

**CATEGORY**

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Stocks for Beginners

**TICKERS GLOBAL**

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. NYSE:TU (TELUS)
4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:T (TELUS)

**PARTNER-FEEDS**

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

**Category**

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Stocks for Beginners

**Date**
2025/07/05
**Date Created**
2019/10/02
**Author**
vhetherington