



No-Worry Dividend Stocks for Your TFSA

Description

There is no need to worry about self-managing your own retirement portfolio. There are plenty of dividend stocks that you won't need to worry about buying and holding for the next 20 years. You just need to know what to look for.

Every Canadian should look for [established dividend stocks](#) with market power. The banking industry, for example, is one of the best options for your Tax-Free Savings Account or Registered Retirement Savings Plan!

Investing in big banks is an excellent idea, because they are politically well-connected institutions with market power that has lasted for over 100 years. We can't speak for what will happen in the next century, but it is more probable that the stock price on the big banks will appreciate.

Here are three excellent banking stocks you should have in your retirement portfolio.

Toronto-Dominion Bank

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is the result of a 1954 merger between the Bank of Toronto and The Dominion Bank, two 19-century banks. Since 1989, Toronto-Dominion's stock has given investors a capital gain of over 1,431.80% — nearly a 50% average return per year.

If you are disappointed that you didn't buy into banking stocks back in 1989, don't worry, because Toronto-Dominion is still one of the most prominent banks in Canada. While there is no guarantee that you will achieve a similar 50% average return per year over the next 30 years, you can feel confident that your initial principal balance is safe in this stock.

Even better, you will be earning a 3.87% dividend yield at the current market price of \$76.58. Toronto-Dominion also has a reliable history of growing its dividends over the past 10 years, meaning you can likely look forward to continued growth in the future.

Royal Bank of Canada

Royal Bank of Canada ([TSX:RY](#))([NYSE:RY](#)) first opened in 1864 under the name of Merchants Bank of Halifax and later rebranded under the business name Royal Bank of Canada. Since 1995, Royal Bank stock has given investors a capital gain of over 1,538% — nearly a 64.08% average return per year.

Even I am disappointed that I didn't invest in this stock in 1995! Like Toronto-Dominion, Royal Bank of Canada has the market power and political connections to secure your retirement savings for the next 30 years. Political connections and market power have a strong association with superior market-average price performance on the TSX.

Royal Bank of Canada and Toronto-Dominion Bank provide shareholders with equal dividend yields. Trading for \$108.54 as of writing, Royal Bank stock will issue its next dividend of \$1.05 per share on November 22, 2019. Every TFSA could benefit from these safe dividend returns.

Foolish takeaway

It is not hard to take control of your own retirement savings. Today, it is easier than ever, because many [trading platforms are cutting their fees](#). Canadians have a unique advantage because they have more tax-free investing options at their disposal than many other nations.

Every Canadian can manage their own retirement portfolio by buying stock in historically powerful Canadian institutions like those in banking. Especially today with the popularity of the internet, the amount of information available for people to trade on is so vast that anyone can easily plan out a solid stock portfolio strategy. I encourage you to start today by investing in Toronto-Dominion and Royal Bank of Canada stock and stick with them, even through the bad times. You'll be happy you did in 30 years.

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1. NYSE:RY (Royal Bank of Canada)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:RY (Royal Bank of Canada)
4. TSX:TD (The Toronto-Dominion Bank)

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