



## Want \$1,000,000 in Your TFSA? 1 Dividend Stock Is All You Need

### Description

A would-be retiree dreams of enjoying the fruits of their labour after years of hard work and a fulfilling career. Retiring with at least \$1,000,000 in savings is a goal. Your dream can come true if you invest in a company that can bring you contentment during retirement.

**Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)), or CIBC, the fifth-largest lender in Canada, can deliver a steady income stream in your later years. You can build your nest egg and invest within the TFSA using CIBC as your anchor stock.

### Equally formidable

CIBC steadily grew in more than 152 years of profitable operations. This \$51.37 billion financial institution is on par with its bigger industry peers in terms of performance and stability.

Net income from its personal and business banking divisions in the Canadian market is growing and contributing roughly 47% to the bank's overall adjusted net income.

Across the border, its U.S. commercial banking and wealth management division saw a 6% increase in the latest quarterly earnings report. CIBC expects growth to be in the double digits going forward. In the near term, the business segments from abroad would comprise 25% of the bank's total revenue.

### Generous dividend payer

CIBC has been paying dividends to shareholders since 1868. Retirees before you have held this bank stock for years and are now living a life of prosperity. With the impressive track record, this bank has earned the "dividend titan" status.

The current yield is 5.03%, which is the highest dividend among the Big Five banks. You would have passive income of \$25.15 monthly on a \$6,000 investment. But if you have \$300,000 to invest in your TFSA today, you can withdraw a cool \$1 million tax-free in 25 years.

Your windfall during the investment window is a staggering 341%. If you want to preserve the principal, you can keep on reinvesting the dividends. With the \$300,000 investment, you will generate \$314.48 in monthly passive income.

## Safety and protection

Apart from the generous dividends, your investment is safe and secure with CIBC. The bank stock is also [recession proof](#) and a good hedge against inflation. Another measure of why the dividends are safe is the low payout ratio of 48.38%. It has been the bank's policy to keep this ratio in check or below 50%.

You have to take into account the historical performance of CIBC during the severest financial crises. In spite of the pressure in 2000 and 2008, the bank did not waver and kept the payouts to investors steady.

In totality, CIBC is [an exceptional dividend play](#) for having endured recessions and cyclical market downtrends in the distant and recent past. The bank can serve as your anchor in times of uncertainty.

## No goal is impossible

As a would-be retiree and investor in CIBC, you have the advantages of preserving your capital, receiving a steady income stream, ensuring safe dividend payments, and being free of the mental stress.

For the longest time, CIBC has been exhibiting resiliency to stave off threats to its financial health and stability. With an elite stock in your TFSA, your goal to reach \$1,000,000 is no longer possible. You don't have to drive. Just seize the opportunity today and be on your way to a happy retirement.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. TSX:CM (Canadian Imperial Bank of Commerce)

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