



2 Dividend-Paying Stocks to Buy With Your New \$6,000 TFSA

Description

Are you searching for stocks you can use for the additional contribution room in your Tax-Free Savings Account (TFSA)? I think it might be worth your while to allocate that \$6,000 to stocks that have an attractive value and healthy dividend yields.

Adding shares from companies that can appreciate in the coming years while the stocks are cheap could help you maximize the potential of the additional contribution room.

I am going to discuss **TC Energy Corporation** ([TSX:TRP](#))([NYSE:TRP](#)) and **Nutrien Ltd** ([TSX:NTR](#))([NYSE:NTR](#)) stocks to this end. I think stocks from both companies have excellent potential for long-term growth and offer decent dividends to add more cash to your TFSA.

Let's take a better look, shall we?

TC Energy

I have not discussed the TC Energy stock at all when it comes to companies from Canada's energy sector. It is an energy infrastructure firm that is one of the [most resilient stocks](#) trading on the **TSX**. The company's operational procedures allow it to grow its dividend payouts to its shareholders by 8-10% each year.

TC Energy has several projects that allow it to stick to its aim of high dividend growth. The \$67.22 billion market capitalization company's shares are trading for \$72.06 per share at the time of writing with a healthy dividend yield of 4.16%.

With an estimated \$30 billion allocated funds for secured capital developments, the company is on track to keep up with its dividend growth goals.

Nutrien

Nutrien is a fantastic option for TFSA investors to consider for their additional contribution room. The stock is trading for just \$59.53 per share as of this writing, down by more than 12% in the past 12 months.

The global fertilizer provider's drop in the past year has resulted in a dividend yield of a juicy 3.95% dividend yield for its shareholders.

Nutrien suffered a drastic decline in its share price due to the overall downturn in the fertilizer sector in 2019. The [rebound potential](#) for this stock is immense as the market segment recovers. With the stock trading at just 1.48 price to book ratio and a 1.75 price to sales ratio, the stock has massive upside potential.

The stock has significant retail business operations. With acquisitions throughout the year, the company can produce substantial free cash flow.

Foolish takeaway

TC Energy is trading for a modest 17.6 times expected earnings from the next 12 months and a price to book ratio of just 2.53. It has diversified operations throughout Canada, America, and Mexico and massive potential for dividend growth.

Nutrien is waiting for the fertilizer industry to recover so it can capitalize on its robust operations to maximize profits and appreciate closer to its inherent value.

The TC Energy stock and Nutrien stock are both trading at a discount on the inherent values of both companies. I think it can be worth your while using the additional contribution room for stocks from either or both companies in 2020.

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)

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