



TFSA Investor: Lock in Massive Tax-Free Income With This 10.8% High-Yield Dividend Stock

Description

Stocks that you can buy and forget are the best to pair with your TFSA — especially if you can be sure that such stocks can maintain the high payout and won't slash your dividends in harsh economic times. One such stock is **Chemtrade Logistic Income Fund** ([TSX:CHE.UN](#)).

Reliable operations

While Chemtrade provides industrial chemicals and relevant services primarily to North American clients, the company does have a global reach.

The company is North America's largest supplier of Sulfuric acid, a chemical that can rightfully be dubbed as the "blood" of most industrial processes. But the company's portfolio isn't limited to that. It offers a diverse range of chemicals needed by a wide variety of industries.

The company's service portfolio is also impressive; it provides spent acid recovery services that recover Sulfuric acid from industrial chemical waste, serving a dual purpose of responsible recycling of the waste as well as cheap recovery of the chemical. Chemtrade also offers wastewater treatment services and processing of other by-products.

This business model is built around sustainable practices and industrial growth. As long as the industries are alive and well, Chemtrade will likely be in business and thrive.

Reliable distributions

This is the second thing on which the company prides itself. The company has a [stable history](#) when it comes to dividends. The company has been quite unnaturally flat in its dividend payouts. It has kept up a streak of paying monthly dividends of \$0.1 per share for at least the past five years.

The best part about Chemtrade is its dividend yield. The company is offering a mouth-watering yield of

10.88% at the time of writing.

Even if you place a fraction of your TFSA, say \$20,000, in Chemtrade, you will be earning \$181 per month in passive income. This is an impressive number, and given the company's history, it's much more likely to stay there than going down.

Chemtrade is currently trading at \$10.9 per share at writing. The past year has been relatively good for the company's market value, especially compared to its tragic fall in 2018.

But things are looking good for Chemtrade right now, and if you lock this [monstrous yield](#) right now, your investment will pay itself over in less than 10 years— much faster if the market value starts to climb up.

Foolish takeaway

Most blue-chip businesses usually have a low dividend yield with a history of growth. In that regard, Chemtrade doesn't measure up to most blue-chip companies and dividend aristocrats. But the company has a substantial presence in a business that isn't likely to decline for a few more decades.

Thanks to its broad reach, even if a region faces an industrial recession, Chemtrade's cash flows won't suffer too harsh a blow. Its diversity of products and services makes it worthy of being on your radar.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CHE.UN (Chemtrade Logistics Income Fund)

PARTNER-FEEDS

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

Category

1. Dividend Stocks
2. Investing

Date

2025/07/17

Date Created

2020/02/06

Author

adamothonman

default watermark