TFSA Investors: 2 Dividend Beasts to Stash for Insane Growth

Description

Millennials in Canada have a decent reputation when it comes to putting money aside in savings. Around a fifth of Canadian millennials have between $10,000 and $50,000 in savings. While they're good at stashing away their money, they also have a bad reputation for investing it.

Younger people are more in tune with the gig economy. They rely on earnings from various sources and have more money to spend. If you're not investing your savings, you're missing the opportunity to make more cash by leaving it idle in your bank account.

I'm going to discuss **Alimentation Couche-Tard Inc.** (TSX:ATD.B) and **Enbridge Inc.** (TSX:ENB)(NYSE:ENB) stocks. Investing in shares from these two companies can help grow your wealth drastically over the years by holding the stock in your tax-free savings accounts (TFSAs).

Alimentation Couche-Tard

The underlying company for this stock is the largest convenience store operator in the country. The Circle K brand in particular has more than 15,000 locations across the world. The company has more than 45,000 employees on its payroll, and the company is becoming a massive success in the broad U.S. market.

Circle K is at the top in convenience stores in the U.S. that also sell gasoline. It ranks second behind the famed 7-11 in overall convenience store sales in the country.

Most Canadians already know that about Circle K. The convenience store brand has spread like wildfire across the country, taking over thousands of stores previously operated by Irving.

Couche-Tard's expansion has dramatically grown its presence in Europe as well as the U.S., and is moving into Latin America as well. Its successful acquisition streak and expansion is contributing to healthy and stable dividend growth for the company. In the past five years, Alimentation reported an average 27% dividend growth.

Enbridge

Whenever I talk about dividend growth stocks, Enbridge will always be in the discussion. It's one of the champions among Canada's dividend growth stocks. It has been a dividend superstar for Canadian investors over the past two decades, with a compound annual dividend growth rate of 12%.

The company is likely to continue its remarkable dividend growth run. The progress on its infrastructure upgrade to its Line III system will allow this energy sector giant to ship a higher volume of oil per day. The project will enable a total of over 750,000 barrels of oil after replacing the aging pipeline with 36-inch pipes.

The company will see significant revenue growth as oil producers rely on it to fulfill their transportation demands. Changing oil prices do not affect Enbridge since it relies mostly on fixed-price contracts. All this translates to the potential of a significant revenue boost for the company and further dividend growth for shareholders.

Foolish takeaway

At the time of writing, Alimentation has a seemingly measly dividend of 0.57%. As low as it might seem, the company is capable of increasing dividends along with significant capital gains as it expands.

Enbridge has a 5.50% dividend yield, and it is likely to stay in the 6% region as the stock appreciates.

Allocating some of the contribution room in your TFSA to shares of the two companies can help you put your savings to better use.

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Date
2025/08/21
Date Created
2020/02/24
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