TFSA Users: 2 High-Yield Dividend Stocks to Target During This Market Meltdown

Description

The massacre at the stock market continues with one of the most significant sell-offs the market has experienced in the last decade. While the oil price war was the force that contributed to this downward spiral, it is the coronavirus pandemic and the subsequent lockdowns that have accelerated it, throwing the **S&P/TSX Index** into freefall.

For the many Tax-Free Savings Account (TFSA) investors looking forward to making the most of their savings, the current market might not pose an ideal scenario for investing. However, amid all this doom and gloom, there are some avenues where TFSA investors can work towards their long-term goals.

One thing a TFSA investor can do right away is target and pick some of the devastated dividend stocks in the ongoing sell-off.

Here, I am going to discuss two stocks that have taken a hit by the market crash but could be a goldmine for TFSA investors in the long run.

Restaurant turnaround

Restaurant Brands International (TSX:QSR)(NYSE:QSR) is the fifth-largest fast-food chain in the world. Formed with the merger of Burger King and Tim Hortons, RBI was experiencing a slowed growth even before the current crash.

The double whammy of COVID-19 and oil war has, however, thrown the stock into the bottom of the barrel. Right now, the stock is trading at one of its lowest points since its IPO in 2014.

Notwithstanding the current abysmal situation, RBI has its fundamentals strong. It has a robust network of over 25,000 restaurants in more than 100 countries. Moreover, it has a versatile business profile. From burgers to coffees and fried chicken, its subsidiaries cover all the fast-food fronts.

Market crashes and recessions have hit the housing, banking, and tech sectors badly. However, the daily consumption of convenient and reasonably-priced fast foods might get back to its normal once the COVID-19 threat is over.

In short, RBI stock may get out of the current bearish trend earlier than the other stocks. For a long-term TFSA investor, buying this 5%-yield stock can prove to be an excellent investment.

Exploration company

Canadian Natural Resources Limited (TSX:CNQ)(NYSE:CNQ) is primarily a hydrocarbon exploration company based in Western Canada. However, the company has its interests invested across the energy and utility spectrum.

This diversified business model might help this dividend stock to recover from the ongoing TSX onslaught, where it has experienced a large dip of over 70%.

CNRL has already experienced some recovery in the last week, and this can be replicated over a long stretch for various reasons. For instance, CNRL is not all about oil and gas exploration.

The company also operates in the downstream division of the oil industry with its two pipelines. CNRL owns an electricity cogeneration facility as well and also has a 50% interest in an oil refinery in Redwater, Alberta.

Even with exploration, the company isn't limited to natural gas and crude oil. Oil sand and bitumen mining make a large part of CNRL's exploration spreadsheet. In other words, it may not remain under the effect of plummeting crude oil market for a long time.

This energy stock, with a whopping 12.21% dividend yield, can also be a valuable long-term addition to a TFSA portfolio.

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