



## 3 Stocks to Invest Your \$6,000 TFSA Contribution in 2021

### Description

From this week, you can add another [\\$6,000 to your Tax-Free Savings Account](#) (TFSA). That means you can take yet another step toward securing your finances for the long-term while minimizing your tax burden.

Unfortunately, more than half of all Canadians use their TFSA as a savings account. They simply leave cash in low-interest bank accounts. Given the potential gains and dividends available on the stock market, this strategy is a tragic misstep. Here are three robust and lucrative stocks that could be ideal for your TFSA contribution this year.

### Magna International

There's little doubt that global transport will be fully electric within a few decades. Investors have been focused on Elon Musk to drive this revolution forward, but have overlooked some key suppliers that are essential for this mission.

**Magna International** ([TSX:MG](#))([NYSE:MGA](#)) is the best example of this. It's the largest auto parts supplier and manufacturer in the world. **Tesla** already relies on it for several key components. But the company also works with nearly all of Tesla's competitors and could even be the primary manufacturer of the hotly anticipated **Apple** car.

Currently trading at 50 times earnings per share and offering a 2.2% dividend yield, Magna is an excellent proxy for this long-term transition. That's what makes this an ideal stock for your TFSA in 2021.

### Brookfield Renewable Partners

While the electrification of transport is a trillion-dollar opportunity, green energy is arguably bigger. Countries across the world are adopting new environmental protection policies and setting green energy targets. That means much of the world's energy could be derived from solar, wind and nuclear in the next few decades.

**Brookfield Renewable Partners LP.** (TSX:BEP)([NYSE:BEP](#)) is the world's largest renewable energy real estate investment trust. The company owns and manages assets such as a hydroelectric plant in Colombia, a wind farm in Ireland and solar energy farms across the United States.

As regulations push more corporations and households to switch to green energy, Brookfield could be in for a windfall. The stock offers a 2.8% dividend yield, and trades at 12 times operating cash flow. It's an ideal long-term bet for your TFSA.

## Slate Grocery

Arguably more reliable than the other two on this list is **Slate Grocery REIT** ([TSX:SGR.UN](#)). 100% of this real estate investment trust is anchored by grocery chains. That makes it a hard asset backed by an essential business – essentially recession-proof.

Furthermore, Slate is focused on the U.S. rather than Canadian market, which means it has much more room to expand. It also pays out its dividends in U.S. dollars – US\$0.072 monthly. That implies a dividend yield of 9.5%, the highest on this list.

Considering the fact that the U.S. is on the verge of more stimulus measures and has had a stronger economic recovery so far, Slate Grocery could be an ideal hedge for Canadian investors. Add this to your TFSA watch list for 2021.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:MGA (Magna International Inc.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:MG (Magna International Inc.)
5. TSX:SGR.U (Slate Retail REIT)

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