



TFSA Investors: 2 TSX Stars With Strong Yields

Description

Tax-Free Savings Account (TFSA) investors looking for long-term gains should be interested in large **TSX** blue-chip stocks. In particular, blue-chip stocks with strong and reliable dividends.

This is because these stocks tend to offer great total returns over time. That's especially true within a TFSA, where compounding over time is very powerful due to the tax savings.

Now, it's important for long-term investors focused on dividends to target those stocks with stability and reliability. Some stocks are offering outsized yields today, but with potentially uncertain means of making good on those dividends.

Today, we'll look at two TSX stars that are interesting options for TFSA investors.

TD Bank

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is a major Canadian bank with a strong presence in both the U.S. and Canada. It offers a wide range of insurance, banking, and financial products to its customers.

TD has long been a favourite among TFSA investors focused on the long haul. It consistently churns out steady profits and has increased its dividend over time to reward investors.

In fact, TD has been paying a dividend every year since 1857. So, for investors seeking stability, that's certainly positive news. While past performance doesn't always correlate with future performance, that sort of track record simply speaks to TD's commitment to investors. Through thick and thin, TD makes it a priority to pay its dividend to investors.

As of this writing, TD is trading at \$75.39 and yielding 4.19%. While that's not a mind-blowing yield, it's certainly solid enough for TFSA investors focused on reliable gains over the long haul.

With a tough 2020 in the rear-view, sentiments for TD going forward should be largely positive,

especially in the long run. For investors looking for a TSX star with a juicy yet stable dividend, TD is worth a look.

BMO

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is another major Canadian bank, and like TD it also has solid footing in the U.S. on top of its Canadian operations.

When it comes to reliable dividends for TFSA investors, BMO is always a [name](#) in play. In fact, it has the longest streak in Canada when it comes to maintaining a dividend.

Every year since 1829, BMO has paid a dividend to its investors. For most of that time, it's grown its dividend as well.

So, while a [stock like BMO](#) might not offer crazy year-to-year gains in the share price as some TSX growth stocks, it has a remarkably dependable dividend that increases over time.

As of this writing, BMO is trading at \$99.85 and yielding 4.25%. While it's not an eye-popping yield, it's still a solid payout for TFSA investors focused on the long term.

Now, there could still be more bumps in the road ahead in the short term, but BMO's long-term outlook is still solid. This is a well-capitalised stock with healthy financials and access to plenty of support and liquidity.

Dividends for TFSA investors

Both these TSX banking giants offer TFSA investors dependable dividends and solid long-term return potential. Over time, the power of compounding can do the heavy lifting within a TFSA to deliver results for investors.

TFSA investors looking to add some blue-chip power to their portfolios should keep these names in mind.

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1. Bank Stocks
2. Dividend Stocks
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1. NYSE:BMO (Bank of Montreal)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BMO (Bank Of Montreal)
4. TSX:TD (The Toronto-Dominion Bank)

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