



## The Best Dividend Stocks to Own in Your TFSA

### Description

The federal government announced that the Tax-Free Savings Account (TFSA) annual contribution room would increase by another \$6,000 in 2021, bringing the cumulative amount to \$75,500, at least for TFSA investors who have been eligible since its inception in January 2009. The Canada Revenue Agency (CRA) recently revealed that there were over 20.7 million TFSAs in Canada held by over 14.6 million unique holders. They possessed a total fair market value of \$298 billion. Growth strategies are tempting in a TFSA, but they can also be a [reliable source](#) of tax-free income.

Today, I want to look at the best dividend stocks to stash in your portfolio today.

### Why Suncor Energy is on the comeback trail

**Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) is one of the largest integrated energy companies in Canada. Its shares have climbed 7.2% in 2021 as of mid-morning trading on February 16. However, this dividend stock is still down 38% year over year.

This top energy company released its fourth-quarter and full-year 2020 results on February 3. Funds from operations (FFO) rose to \$1.22 billion or \$0.80 per share compared to \$1.16 billion or \$0.76 per share in the third quarter. However, FFO was more than halved from the prior year. Suncor also received another blow when the new Biden administration torpedoed the Keystone XL project.

Still, Suncor should benefit from improving oil and gas prices and its still-strong project pipeline. The dividend stock is still worth a look for TFSA investors. Suncor last had a favourable price-to-book value of 0.9. Moreover, it offers a quarterly dividend of \$0.21 per share, which represents a 3.5% yield.

### TFSA investors should stash this top dividend stock

**Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)) is the fifth-largest of the Big Six Canadian bank stocks. Shares of CIBC have climbed 7.9% year-over-year at the time of this writing. The stock has increased 4.3% in 2021.

Investors can expect to see CIBC's first quarter 2021 results later this month. In Q4 2020, the bank delivered a \$1.02 billion profit. It had already started to see improvement in client applications since the [beginning of the pandemic](#). Moreover, the bank will focus heavily on personal and small business banking throughout 2021.

This dividend stock last had a solid price-to-earnings ratio of 13, which should attract TFSA investors. It offers a quarterly dividend of \$1.46 per share, representing a strong 5.1% yield.

## One more top dividend stock to target today

**Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)) owns and operates utilities, transport, energy, and data infrastructure businesses in North America and around the world. Its shares have climbed 2% in 2021 so far. This dividend stock is worth targeting for TFSA investors as it offers broad exposure to dependable sectors.

The company released its fourth-quarter 2020 results on February 3. Net income came in at \$331 million or \$0.58 per share compared to \$23 million and a net loss of \$0.06 per share in the prior year. Its shares last had a solid P/B value of 2.7.

Brookfield last announced a quarterly dividend of \$0.51 per share, which represents a 3.6% yield. TFSA investors should look to this dividend stock today.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. NYSE:SU (Suncor Energy Inc.)
4. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
5. TSX:CM (Canadian Imperial Bank of Commerce)
6. TSX:SU (Suncor Energy Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

**Category**

1. Investing

**Date**

2025/08/24

**Date Created**

2021/02/16

**Author**

aocallaghan

default watermark

default watermark