



2 Canadian Dividend Stocks to Buy and Hold

Description

If you are looking for a way to sustainably build your wealth over the long term, there are few better ways to do it than by investing your money in reliable dividend-paying stocks. Buying and holding income-generating stocks in a [Tax-Free Savings Account](#) (TFSA) can let you enjoy the long-term returns without incurring any income taxes that could reduce the returns you get to keep from your investments.

Provided that you can find the right assets to buy and hold in your TFSA portfolio, you can generate significant wealth that can help you achieve your long-term financial goals. Finding the right dividend stocks can be a challenge if you are relatively new to stock market investing.

Today, I will discuss two top [Canadian dividend stocks](#) to buy and hold for the long run to enjoy tax-free returns in a TFSA through dividends and capital appreciation.

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) is an energy infrastructure company that will continue to be increasingly important in the coming years. The existing pipelines in the country will become more valuable, as new large-scale projects are facing challenges with being built. With over \$100 billion in assets throughout Canada, the U.S., and Mexico, TC Energy has a significant advantage.

The \$60.01 billion market capitalization company also boasts enough liquidity to make acquisitions that could provide it with an edge over its competitors. TC Energy also has power-generation facilities and natural gas transmission and storage networks that could fuel its growth in the future, as the world moves to cleaner energy production trends.

The stock is trading for \$61.30 per share at writing, and it boasts a juicy 5.68% dividend yield.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is a giant in the Canadian telecom industry, and it is leading the charge for the next generation of 5G technology in the country. The company has been spending a significant amount of money on expanding its 5G infrastructure. It is also expanding its fibre-to-premises network to improve the reach of its services to customers in more remote areas in the country.

While these moves require investing substantial capital, the payoff could be massive for the company. It already enjoys a wide competitive moat in the Canadian telecom sector, and making these investments will give it a greater boost. BCE generates good free cash flows to pay its generous shareholder dividends, and it remains a solid pick for income-seeking investors.

At writing, the stock is trading for \$64.31 per share, and it boasts a juicy 5.44% dividend yield.

Foolish takeaway

Investing in reliable companies that have an excellent track record on the stock market is an ideal way to create a revenue stream in your TFSA that is unlikely to let you down during challenging market conditions. BCE and TC Energy are two companies that can be considered industry leaders in their respective sectors.

The companies boast strong fundamentals, generate substantial cash flows, and [pay attractive dividends](#) at juicy yields. If you are looking to create a TFSA portfolio that can help you become a wealthier investor in the long run, these two stocks could be the right place to begin building such a portfolio.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

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2. NYSE:TRP (Tc Energy)
3. TSX:BCE (BCE Inc.)
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