



2 Top TSX Dividend Stocks to Buy for Passive Income in October

Description

Retirees and other income investors are searching for top **TSX** stocks to buy for their Tax-Free Savings Account ([TFSA](#)) portfolios. The market continues to be expensive, but some top TSX dividend stocks still trade at reasonable prices and offer attractive yields.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) trades near \$63 per share at the time of writing compared to the 2021 high of \$67. The pullback gives investors a chance to pick up a 5.5% yield. BCE's payout is safe and should continue to grow at a slow and steady pace. The stock has been a favourite among income investors for decades and still deserves to be a core holding in a dividend fund.

BCE recently spent \$2 billion on spectrum to support the expansion of its 5G network. At the same time, BCE continues to invest in its fibre-to-the-premises program that runs fibre optic lines right to the door of its customers. This ensures clients have access to adequate broadband capacity while helping BCE protect its competitive position in the market.

A CRTC decision in May 2021 to cancel planned cuts to wholesale internet rates should pave the way for additional spending on network upgrades. In fact, BCE already increased its capital plan by \$500 million as a result of the change.

BCE generates strong free cash flow to support the dividend. The expansion of 5G opens up new revenue opportunities for the coming years. In the near-term, the removal of travel restrictions should boost roaming fees and the return of fans to arenas will help drive a recovery in BCE's media business. Corporate clients are also feeling more comfortable with cash flow situations and are advertising again on radio, TV, and BCE's various digital platforms.

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) owns and operates natural gas pipelines, natural gas storage,

power generation facilities, and oil pipelines in Canada, the United States, and Mexico.

The rebound in oil and natural gas prices this year caught many investors by surprise and the strong market conditions appear set to continue. That bodes well for TC Energy. The natural gas sector, in particular, should enjoy solid growth in the coming years as countries increasingly turn to fuel as a source of power generation to complement renewable energy investments, such as wind, solar, geothermal, and hydroelectric.

Liquified Natural Gas (LNG) demand is increasing around the world. TC Energy's purchase of Colombia Pipeline Group a few years ago in the United States gave the company strategic pipeline networks that connect key natural gas production regions to the Gulf Coast where LNG terminals exist and are being built.

In addition, TC Energy is building its Coastal GasLink pipeline to bring natural gas from northern British Columbia producers to LNG facilities near Kitimat on the B.C. coast. This gives natural gas companies access to ship LNG to buyers in Asia.

TC Energy trades near \$62 per share compared to \$75 before the pandemic. Investors who buy at the current price can pick up a 5.6% dividend yield. The company has a \$21 billion capital program in place that should drive enough revenue and cash flow growth to support annual dividend increases of at least 5% through 2025.

The bottom line on top TSX income stocks

BCE and TC Energy are leaders in their respective industries. The companies have strong track records of dividend growth and should continue to increase the payouts. Both offer above-average yields right now and trade at reasonable prices. If you have some cash to put to work in a Tax-Free Savings Account (TFSA) income portfolio these stocks deserve to be on your radar.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:TRP (Tc Energy)
3. TSX:BCE (BCE Inc.)
4. TSX:TRP (TC Energy Corporation)

PARTNER-FEEDS

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

7. Smart News

PP NOTIFY USER

1. arosenberg
2. aswalker

Category

1. Investing

Date

2025/07/07

Date Created

2021/10/05

Author

aswalker

default watermark

default watermark