



Retirees: 3 High-Yield Dividend Stocks to Buy Now for TFSA Passive Income

Description

Canadian pensioners are searching for top stocks to boost income on their TFSA savings.

Manulife

Manulife ([TSX:MFC](#))([NYSE:MFC](#)) just raised its dividend by 18%. The large increase came after the government lifted its temporary ban on dividend increases by banks and insurance companies.

The stock currently trades near \$24.75 per share and offers a 5.3% dividend yield. Manulife has underperformed some of its peers this year, but 2022 might see the stock move meaningfully higher.

Manulife recently entered an agreement to reinsure 75% of its variable annuities business in the United States. The deal unlocks \$2 billion in value in the company and goes a long way to reduce risks when equity markets tank. Manulife took a big hit during the financial crisis and has worked hard to ensure it is better positioned to ride out a market crash.

At 7.3 times trailing 12-month earnings, Manulife stock appears [undervalued](#).

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is a giant in the North American energy infrastructure sector with a current [market capitalization](#) of \$102 billion. The company transports 25% of the oil produced in the U.S. and Canada. It also moves 20% of the natural gas used in the United States.

The other businesses include natural gas storage, gas distribution utilities, and renewable energy power generation.

Critics of the stock say Enbridge has limited organic growth potential due to the challenges faced in getting new, large pipelines built. That's certainly true, but the company's existing infrastructure is very valuable and strategically important to the smooth operation of the economy in the U.S. and Canada.

Enbridge still finds smaller projects to pursue along the asset base and is large enough to make acquisitions to drive growth.

The stock appears attractive at the current share price near \$50 and provides a solid 6.6% dividend yield. The board will likely raise the payout by 3-5% for next year when the 2022 financial plan is announced in early December.

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) is another pipeline operator and power producer with assets located in Canada, the United States, and Mexico.

The company's main business is natural gas transmission. TC Energy has more than 93,000 km of natural gas pipelines as well as extensive storage facilities. Oil pipelines and nuclear power round out the asset mix.

Natural gas is in high demand around the globe, as countries switch to the fuel from coal and oil. Renewable energy, such as solar and wind, are becoming larger parts of the power mix, but governments are realizing that reliable back-up power generation is needed when demand surges, wind drops, or clouds block the sun.

TC Energy is also looking at carbon sequestration and hydrogen as potential areas for growth in the coming years.

The stock is down to \$61 per share compared to the 2022 high around \$68. The dip is largely due to challenges TC Energy is facing on its Coastal GasLink pipeline project that will bring natural gas from northeastern British Columbia to LNG facilities on the B.C. coast.

TC Energy plans to raise its dividend by 3-5% per year over the medium term.

Investors who buy the stock now can pick up a 5.7% dividend yield.

The bottom line on top high-yield stocks for TFSA passive income

Manulife, Enbridge, and TC Energy all pay generous dividends that should continue to grow. The stocks appear attractive at current prices and deserve to be on your radar for a TFSA focused on generating reliable passive income.

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