



2 Top TSX Dividend Stocks for Retirees to Buy in Their TFSAs in 2022

Description

The TFSA limit for 2022 is \$6,000. Retirees who use the TFSA to generate passive income are getting their top income picks lined up for their portfolios next year.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is a long-time favourite among pensioners for its reliable and generous distributions. That should continue to be the case in 2022.

BCE is investing heavily in network upgrades to ensure its customers have the broadband they need for work and entertainment. The company is bringing fibre optic lines right to the premises of homes and businesses. At the same time, BCE spent \$2 billion in 2021 to buy 3,500 MHz spectrum in the government auction that will be the foundation for the expansion of its [5G](#) network.

BCE should see revenue improve in its media business in 2022. Lucrative roaming fees should also rebound next year, as people start making international trips again for business and holidays.

BCE's dividend looks rock solid. The stock appears reasonable at the current multiple of 20 times trailing 12-month earnings. Investors can pick up a 5.4% dividend yield and wait for the next payout increase to boost their returns.

Canadian Natural Resources

Canadian Natural Resources ([TSX:CNQ](#))([NYSE:CNQ](#)) is a giant in the Canadian energy sector with a [market capitalization](#) of \$64 billion. The company is a major producer of both oil and natural gas.

CNRL is somewhat unique in the sector. The company has assets that span the product spectrum, including oil sands, conventional heavy oil, conventional light oil, offshore oil, and natural gas liquids, along with the vast natural gas resource base. CNRL controls 100% of the facilities in most cases, and this gives it flexibility to move capital around to take advantage of changes in commodity prices.

The company is generating significant profits at current oil and gas prices. Rising demand for jet fuel and gasoline is expected to continue through 2022. Strong natural gas demand around the world could keep natural gas prices elevated for years. Countries are realizing that solar and wind power can be unreliable during changing weather conditions and at times of soaring power demand. As a result, investments in natural gas-fired power production are expected to increase to provide reliable complementary power.

CNRL just raised its dividend by 25% for 2022. The company hiked the payout by 11% in 2021 and has increased the distribution by a compound annual rate of 20% over the past couple of decades.

The stock appears cheap at the current multiple of 11 times trailing earnings and offers a 4.3% dividend yield.

The bottom line on top dividend stocks for TFSA income

BCE and CNRL are leaders in their respective sectors. The stocks should perform well in 2022 and offer attractive dividends for income investors. If you are searching for top stocks to buy for a TFSA in 2022, these companies deserve to be on your radar.

CATEGORY

1. Dividend Stocks
2. Investing

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2. NYSE:CNQ (Canadian Natural Resources)
3. TSX:BCE (BCE Inc.)
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