



## Got \$6,000? Buy These 2 TFSA Stocks

### Description

If you have [\\$6,000](#) cash today, it's enough seed capital to purchase dividend stocks to hold in a [Tax-Free Savings Account](#) (TFSA). The Canada Revenue Agency (CRA) has pegged the annual limit at \$6,000 in the last four years.

Also, as of January 1, 2022, the total cumulative contribution room for a TFSA is \$81,500 for those who have been 18 years or older and residents of Canada for all eligible years. Some TFSA users allocate the limit to at least two dividend stocks to spread the risks.

**North West Company** ([TSX:NWC](#)) and **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) are ideal TFSA stocks. The pair's average dividend yield is 4.96%. Thus, if you take a \$3,000 position in each, your \$6,000 will produce \$297.60 in tax-free, [passive income](#).

### Longest-running retail enterprise

North West Company is one of the longest continuing retail enterprises, not only in Canada but in the world. Its corporate existence dates back to 1668. Today, the \$1.66 billion company's is a leading retailer to underserved rural communities and urban neighborhood markets.

Its reach spreads to northern Canada, western Canada, rural Alaska, the South Pacific islands, and the Caribbean. Management's key strength and ongoing strategy is adapted to unique local lifestyles, cultures, and selling opportunities to have the edge over competition.

North West's business model is anchored around store development flexibility, store management selection & learning programs, and store-level merchandise ordering. Management believes that with all these ingredients, expect the company to maintain its leading market position.

In Q3 2021 (quarter ended October 31, 2021), top and bottom lines grew 0.13% and 9.02% versus Q3 2020. Dan McConnell, North West's president & CEO, said, "The results this quarter reflect our strong in-stock position and the impact of pandemic-related government income support payments despite the comparison to exceptional results last year."

McConnell added, "Our priority remains to provide a safe shopping environment and adapting to inflationary pressures and the impact of pandemic-related global supply chain disruptions. We are continuing to pursue growth opportunities through investments in new markets." The consumer staples stock trades at \$34.67 per share and pays a 4.28% dividend.

## Solid investment choice

TC Energy is a solid investment choice of TFSA investors, because of the lucrative 5.64% dividend yield. At \$62.86 per share, this energy stock has already advanced 7.14% from year-end 2021. This \$56.99 billion energy infrastructure company operates in the natural gas, oil, and power industries.

Apart from the generous yield, TC Energy has increased its dividend every year since 2000. Thus, TFSA investors holding the stock for the long term can expect growing dividends or income. The mid-stream assets include a network of natural gas and crude oil pipelines and power generation & storage facilities.

TC Energy's assets are its competitive advantages, because they are critical, long-life, and strategic. The company will continue to expand, extend, and modernize its existing natural gas pipeline network. Thus, management expects its industry-leading portfolio of secured capital projects to grow substantially in the coming years.

## One of a kind

Canadians should maximize their TFSAs every year to earn tax-free income or build retirement wealth. The one-of-a-kind account is so powerful that a \$6,000 investment in dividend stocks can grow 10-fold over time.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:TRP (Tc Energy)
2. TSX:NWC (The North West Company Inc.)
3. TSX:TRP (TC Energy Corporation)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin

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1. cliew
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#### **Author**

cliew

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