



## TFSA Pension: 2 High-Yield Stocks to Buy Now for Passive Income

### Description

Canadian seniors and other investors who use their savings to generate passive income are searching for reliable high-yield stocks to put in their self-directed [TFSA](#) portfolios. The TFSA limit increased by \$6,000 in 2022, bringing the total maximum contribution space to \$81,500.

### Pembina Pipeline

**Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) has a 65-year track record of driving growth through strategic acquisitions and organic projects. The company is an important player in the midstream segment of the Canadian oil and gas [sector](#) providing producers with a variety of services that includes pipelines, logistics, and natural gas gathering and processing. Pembina Pipeline is also an exporter of propane and is evaluating new developments that include a liquified natural gas (LNG) facility and potential carbon-sequestration investments.

The rebound in energy prices last year helped oil and gas producers fix their balance sheets. With prices remaining high and likely to stay that way for the next few years, the industry is expected to ramp up capital expenditures to boost production. That bodes well for Pembina Pipeline.

Management expects cash flow to exceed dividends and capital expenditures in 2022 and plans to use the first \$200 million in excess cash to buy back stock.

Pembina Pipeline stock appears [undervalued](#) at the current share price of \$38.50 and provides a 6.5% dividend yield.

### BCE

**BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is a good defensive stock to buy for investors who are concerned that the recent market volatility might continue through 2022.

The company provides essential communications services in Canada. The sector has a small number

of competitors, and the business is not directly impacted by the geopolitical or global economic issues that can trigger chaos in commodity markets or financial markets.

BCE has the financial means to make the billions of dollars of investments required to keep its wireline and wireless networks operating at world-class levels. The company spent \$2 billion on 3,500 MHz spectrum in 2021 that will be the foundation for the expansion of BCE's [5G](#) network and continues to invest in its fibre-to-the-premises initiative that brings high-speed fibre optic lines right to the buildings of its customers. This provides subscribers with the broadband they need for work and entertainment while helping protect BCE's competitive position.

BCE generates strong free cash flow to support the dividend and should see revenue continue to rebound in the media business this year. In addition, roaming fees could bounce back in the second half of 2022 once people start to travel more for work and holidays.

BCE trades near \$65 per share at the time of writing and provides a 5.4% dividend yield. The stock should hold up well if the broader market slips into a [correction](#) this year.

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

Pembina Pipeline and BCE pay generous dividends that offer above-average yields. The payouts should be very safe, and the shares appear reasonable at current prices. If you have some cash to put to work in a TFSA portfolio focused on passive income, these stocks deserve to be on your radar today.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:PBA (Pembina Pipeline Corporation)
3. TSX:BCE (BCE Inc.)
4. TSX:PPL (Pembina Pipeline Corporation)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

### PP NOTIFY USER

1. aswalker

2. kduncombe

**Category**

1. Dividend Stocks
2. Investing

**Date**

2025/08/24

**Date Created**

2022/01/25

**Author**

aswalker

default watermark

default watermark