



TFSA Passive Income: Top TSX Stocks to Buy Now

Description

Pensioners and other TFSA investors are searching for top TSX dividend stocks to buy for reliable and growing passive income in their [online brokerage](#) portfolios.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) raised its dividend for the 27th consecutive year when it announced the 2022 financial guidance last December. The 3% increase to the payout is lower than what long-term holders of ENB stock are used to seeing, but Enbridge remains a good stock to buy for passive income.

The company expects to generate distributable cash flow growth of 5-7% per year over the medium term, supported by a solid capital program. New acquisitions could boost the guidance. Enbridge is investing in new renewable energy and natural gas projects and is getting into the carbon-sequestration market.

The stock appears reasonable to buy right now and offers income investors a solid 6.3% dividend yield at the time of writing.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) recently raised its dividend by 5.1%. The company generated decent results in 2021, despite the ongoing challenges with pandemic restrictions.

Looking ahead for 2022, BCE is targeting good revenue and earnings growth. Free cash flow is also expected to expand as capital outlays start to trend lower. BCE is investing heavily in its program to run fibre optic lines to the doors of its customers. The company is targeting 900,000 of these connections in 2022. At the same time, BCE is expanding its [5G](#) network after spending \$2 billion in 2021 on new 3,500 MHz spectrum.

Media revenues should continue to recover in 2022 and roaming fees in the mobile business could take off in the second half of this year if people start traveling more for work and holidays.

BCE stock pays new annualized dividend of \$3.68. That's good for a yield of 5.5% at the time of writing.

Emera

Emera ([TSX:EMA](#)) is a utility based in Halifax with \$33 billion in assets located in Canada, the United States, and the Caribbean.

Emera raised the annualized dividend by 10 cents to \$2.65 per share when it reported Q3 2021 results. This was the 15th straight year the board increased the payout.

Looking ahead, Emera's strong capital program is expected to increase the rate base enough to support dividend increases of 4-5% per year through 2024. New projects or an acquisition could boost the size of the hikes or extend the guidance.

The company gets most of its revenue from regulated electric and natural gas distribution utilities. This means cash flow should be predictable and reliable. Emera is a good stock to buy if you are seeking investments that tend to hold up well when the overall market hits a rough patch.

Investors who buy EMA stock at the current price near \$60 can get a 4.4% dividend yield.

The bottom line on top TSX stocks to buy for passive income

BCE, Enbridge, and Emera all pay attractive dividends that should continue to grow. If you have some cash to put to work in a TFSA focused on passive income, these stocks deserve to be on your radar.

CATEGORY

1. Dividend Stocks
2. Investing

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2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:EMA (Emera Incorporated)
5. TSX:ENB (Enbridge Inc.)

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