



TFSA Investors: 3 Canadian Stocks to Buy With Your \$6,000 Contribution

Description

Last year, the Canadian government announced that the annual contribution limit would remain at \$6,000 in 2022. That has been the fixed annual amount since 2019, when it was increased from the \$5,500 annual limit. That brought the cumulative [TFSA](#) contribution limit to a whopping \$81,500. However, this only applies to investors who have been eligible for contributions since the TFSA's inception in January 2009. Those who became age eligible later must calculate their cumulative contribution room from that date onward. In this piece, I want to look at three Canadian stocks that are worth spending that \$6,000 on.

TFSA income: Here's a Canadian stock you can depend on for the long haul

Hydro One ([TSX:H](#)) is the first Canadian stock I'd look to snatch up in my TFSA, using roughly a third of that \$6,000 contribution. This Toronto-based company is the largest utility in Ontario. That means that it is a virtual profit machine. The only drawback has been political meddling, which has generated some headaches for shareholders in recent years. Shares of Hydro One have climbed 13% year over year as of close on February 10.

This top utility is expected to release its fourth-quarter and full-year 2021 results on February 25. In Q3 2021, Hydro One reported earnings per share of \$0.50 per share — up from \$0.47 per share in the previous year. For the year-to-date period, Hydro One reported basic adjusted EPS of \$1.35 compared to \$1.24 in the first nine months of fiscal 2020.

Shares of this dividend stock possess a price-to-earnings ratio of 20, putting it in attractive value territory compared to its industry peers. It last paid out a quarterly dividend of \$0.266 per share. That represents a 3.2% yield.

Demographic shifts should spur you to add this Canadian stock to your TFSA

Back in 2018, I'd looked at Canadian stocks that were [well positioned for growth](#) on the back of Canada's aging population. **Jamieson Wellness** ([TSX:JWEL](#)) made its debut on the TSX back in 2017. At the time, its CEO explicitly stated that it was set up for nice growth due to an aging population that is experiencing a spike in health conscientiousness. This Toronto-based company is engaged in the development, manufacturing, distribution, and sale of natural health products around the world. TFSA investors should be interested in stashing this promising stock for the long term.

Shares of this Canadian stock have plunged 10% in 2022 as of close on February 10. The stock has increased marginally year over year. Investors can expect to see its final batch of 2021 earnings on February 24. In Q3 2021, Jamieson delivered revenue growth of 6.4% to \$112 million. Meanwhile, adjusted EBITDA increased 11% to \$25.5 million.

This Canadian stock is trading in solid value territory with a P/E ratio of 31 at the time of this writing. It offers a quarterly dividend of \$0.15 per share, which represents a 1.6% yield.

Why I'm buying the dip in Shopify in February

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is the third Canadian stock I'd look to snatch up in the middle of February. In late 2021, it was one of two tech stocks I'd [suggested](#) were worth picking up on the dip. Shares of Shopify have declined 26% in 2022 as of close on February 10. This explosive tech stock still has the potential to make you a fortune in your TFSA going forward.

In the nine months ending September 30, 2021, the company posted gross profit of \$1.78 billion. That was up from \$1.03 billion in the year-to-date period in 2020. Meanwhile, net income has soared to \$3.28 billion compared to \$195 million. Shares of this Canadian stock possess an RSI of 40. That puts Shopify just outside technically oversold territory.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:H (Hydro One Limited)
3. TSX:JWEL (Jamieson Wellness Inc.)
4. TSX:SHOP (Shopify Inc.)

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Author

aocallaghan

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