



## Put TFSA Cash to Work: Earn a Tax-Free Yield of at Least 5%

### Description

With heightened volatility and uncertainty, taking a long position in stocks is tough. However, keeping cash in your TFSA (Tax-Free Savings Account) is not doing any good to you amid high inflation. Thus, it's prudent to put your TFSA cash to work and earn reliable and high yield from relatively safer stocks. Here are my top recommendations for TFSA investors that could help you earn at least a 5% yield with ease amid volatility.

### Enbridge

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) transports hydrocarbons and is a solid [energy stock](#) to earn reliable yield. It has a solid track record of dividend payment and growth. It has been paying dividend for more than six-and-a-half decades. Further, it has increased it for 27 years. What stands out is Enbridge's stellar dividend yield. Moreover, Enbridge has not reduced its dividend, even amid the pandemic.

By investing your TFSA cash into Enbridge stock, you can earn a dividend yield of 6.3%, which is well protected with its highly diversified cash flows and contractual arrangements.

Its solid asset mix, strong secured capital program, benefits from new projects, inflation-protected EBITDA, and productivity savings could continue to drive its distributable cash flows and dividend payments.

### NorthWest Healthcare Properties REIT

With reliable yield in the background, REITs could be an attractive investment option for TFSA investors. Among REITs, investors could consider adding **NorthWest Healthcare** ([TSX:NWH.UN](#)) to their portfolios. Its defensive portfolio of healthcare-related real estate assets, solid dividend payment history, and government-backed tenants support its payouts.

NorthWest benefits from the high occupancy of its assets and a long lease expiry term. Further, most of its rents are indexed against inflation. These add visibility and stability to its cash flows. Additionally,

its geographically diversified portfolio, solid developmental pipeline, expansion in the U.S., and strategic acquisitions bode well for future payouts.

TFSA investors could earn a tax-free yield of 6.6% by investing their cash in NorthWest Healthcare.

## TC Energy

Yielding over 5.3%, **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) is another top investment option for TFSA investors. It has been growing its dividend for 22 years. Moreover, the company is confident of delivering a 3-5% annual growth in its future dividend.

Its rate-regulated and contracted assets generate strong earnings to cover its payouts. Further, TC Energy generates approximately 95% of its EBITDA from these assets, implying that its payouts are secure.

Looking ahead, its high-quality asset base, strong asset utilization rate, solid secured capital projects, and energy transition opportunities bode well for growth. Further, cost-saving measures will likely cushion its earnings and dividend payments.

## TransAlta Renewables

Electric utility company **TransAlta Renewables** ([TSX:RNW](#)) can be relied upon for generating steady tax-free income. It owns a highly diversified renewables portfolio. Moreover, its highly contracted assets provide stability to cash flows. Further, TransAlta's contracts have a long life, adding visibility over the future cash-generating capabilities.

TransAlta's conservative business model, focus on acquisition, and growing renewable power-generation capacity positions it well to enhance its shareholders' returns through regular dividend payments. TFSA investors can earn a lucrative dividend yield of 5.7% by investing in TransAlta stock.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:TRP (Tc Energy)
3. TSX:ENB (Enbridge Inc.)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:RNW (TransAlta Renewables)
6. TSX:TRP (TC Energy Corporation)

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