TFSA Investors: 3 Super Dividend Stocks to Own Forever

Description

The cumulative contribution room in a Tax-Free Savings Account (TFSA) sits at $81,500 for investors who have been eligible to contribute since January 2009. That is a lot of room to maneuver. The TSX entered an official bear market last month. In this environment, investors may want to pursue a more conservative or income-oriented strategy. Today, I want to zero in on three dividend stocks you can rely on for the long haul in your TFSA.

This dividend stock has delivered annual income growth for years

Hydro One (TSX:H) is based in Toronto and operates as a top electricity transmission and distribution company. It boasts a utility monopoly in Ontario, Canada’s most populous province. Shares of this dividend stock have climbed 6.2% in 2022 as of early afternoon trading on July 18. The stock is up 13% from the previous year.

The company released its first-quarter 2022 earnings on May 5. It posted earnings per share of $0.52 — up 15% from the previous year. Hydro One reported total revenues of $2.04 billion compared to $1.81 billion in the first quarter of 2021. TFSA investors can rely on this company to churn out consistent profits for decades to come.

Shares of this dividend stock possess a favourable price-to-earnings (P/E) ratio of 20. Hydro One offers a quarterly dividend of $0.28 per share, which represents a 3.2% yield. The company has delivered dividend growth in every year since its debut on the TSX.

Here’s why Telus is perfect for your TFSA right now

Telus (TSX:T)(NYSE:TU) is a Vancouver-based company that provides a range of telecommunications and information technology products in Canada. Canadian telecoms are another great target for a conservative TFSA portfolio. This dividend stock has dropped 4% in 2022 at the time of this writing. Its shares are still up 3.1% from the previous year.

Investors can expect to see Telus's next batch of earnings in the final week of July. In Q1 2022, the company delivered operating revenues growth of 5.8% to $4.25 billion. Meanwhile, adjusted net income was reported at $414 million, or $0.30 per share — up 15% or 11%, respectively, from the previous year. Adjusted EBITDA increased 7% year over year to $1.60 billion.

This dividend stock last had a P/E ratio of 22, which puts Telus in attractive value territory compared to its industry peers. Meanwhile, it offers a quarterly dividend of $0.339 per share. That represents a 4.7% yield.

One more top dividend stock to stash in your TFSA

Enbridge (TSX:ENB)(NYSE:ENB) is the third dividend stock I'd trust in a TFSA for the long term. This is the top energy infrastructure company in North America. Shares of Enbridge have increased 11% in 2022 as of early afternoon trading on July 18. The stock is up 14% from the previous year.

This company released its first-quarter 2022 results on May 6. It posted adjusted earnings of $1.7 billion or $0.84 per common share — up from $1.6 billion, or $0.81 per share, in the first quarter of 2021. Moreover, adjusted EBITDA rose to $4.1 billion compared to $3.7 billion in the prior year. Enbridge possesses a favourable P/E ratio of 19. TFSA investors can count on its quarterly dividend of $0.86 per share, representing a tasty 6.2% yield.

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Date
2025/08/24
Date Created
2022/07/18
Author
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