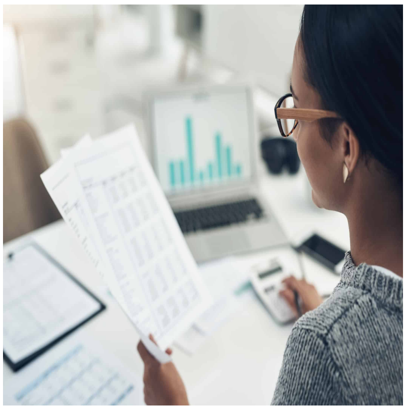

TFSA Investors: 3 TSX Stocks With Unbelievable Staying Power

Description

Investing in a Tax-Free Savings Account (TFSA) could greatly accelerate your way to financial independence. This is because, as its name suggests, any returns that investors generate in one of these accounts can be withdrawn without having to pay any additional tax. That allows investors to snowball their accounts much quicker than they'd be able to do in a traditional investment account.

When investing in a TFSA, it's important that you choose stocks with staying power. Here are three top picks for your portfolio.

Buy one of the major banks

In Canada, there are two industries where I have a hard time seeing the leaders being displaced any time soon. The first would be the Canadian banking industry. This area is led by a group known as the Big Five. Those five companies have all been in operation for well over a century, with some even nearing 200 years of operation. That has allowed these companies to establish very formidable moats, making it difficult for smaller competitors to reach the same heights.

Of the Big Five, my top pick is **Bank of Nova Scotia** (TSX:BNS)(NYSE:BNS). It is the third-largest Canadian bank in terms of assets under management, market cap, and revenue. Over the past five years, Bank of Nova Scotia stock has returned a modest 17%. Where this stock truly shines is its dividend. The company has paid investors a dividend in each of the past 189 years. Currently, Bank of Nova Scotia stock also offers investors a very attractive forward yield of 5.38%.

The Canadian railway industry should feature in your portfolio

The Canadian railway industry is the second area that you should consider investing in today. This industry is dominated by two companies, both of which are practically household names in Canada. Of those two companies, I would suggest looking at **Canadian National Railway** (TSX:CNR)(NYSE:CNI). This is the largest railway company in Canada, operating nearly 33,000 km of track. Its rail network spans from British Columbia to Nova Scotia.

Canadian National Railway is perhaps one of the better dividend stocks in this article. The company has managed to increase its dividend in each of the past 26 years. That makes it one of only 11 **TSX**-listed companies to reach that mark. With a payout ratio of 37%, I believe Canadian National could continue to comfortably raise its dividend over the coming years.

Add this top stock today

Finally, investors should consider adding **Brookfield Asset Management** (TSX:BAM.A)(NYSE:BAM) to their TFSAs. Led by its chief executive officer Bruce Flatt, Brookfield is one of the largest alternative asset management firms in the world. It mainly focuses on real assets. These are assets that have intrinsic value due to their properties. Through its subsidiaries, Brookfield has exposure to the infrastructure, insurance and claims, real estate, renewable utility, and private equity industries.

Over the past five years, Brookfield stock has gained 113.5% once dividends are included. That means investors have more than doubled their returns in just a five-year span. This is a stock that I currently don't hold in my portfolio, but I've considered buying it in my TFSA for years. I strongly believe that other investors shouldn't neglect it for as long as I have.

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