



TFSA Investors: What I'd Buy Today to Aim for \$1 Million

Description

[TFSA \(Tax-Free Savings Account\)](#) holders can grow their savings by investing in stocks for the long term. However, the ongoing macroeconomic uncertainties have shaken the stock investors' confidence in 2022. This is one of the key reasons why the **TSX Composite Index** has lost more than 12% of its value this year so far. These big losses are making TFSA investors nervous. Before I highlight one of the best Canadian dividend stocks TFSA investors can buy right now, let me explain why it could arguably be the best time to invest in stocks.

Why TFSA investors should buy stocks in a bear market

When stocks are rallying, they usually attract investors' attention. And this is the time when many novice investors decide to enter the stock market and end up buying stocks when they're close to their peak levels. However, this is exactly the opposite of what experienced investors prefer to do. Most successful investors see the [bear market](#) as an opportunity to buy their favourite stocks at a big bargain to hold for the long term. The recent market dip could be an opportunity for TFSA investors to add some quality stocks to their portfolio at big discounts, which could help them multiply their hard-earned savings faster.

Many new investors also think they need to take big risks by investing in [volatile](#), high-growth stocks to earn outstanding returns. But that's not the reality. In fact, many [fundamentally](#) strong [Canadian dividend stocks](#) have the potential to multiply TFSA savings in the long run and faster than many growth stocks.

This dividend stock can help TFSA investors aim for \$1 million

Amid the ongoing macroeconomic uncertainties, it could be a good idea for TFSA investors to stick to [large-cap](#) dividend stocks, which could help them earn consistent passive income, even in difficult economic times. For example, **Canadian Natural Resources** ([TSX:CNQ](#)) could be one such reliable dividend stock to consider on the TSX right now.

This Calgary-based energy sector giant currently has a market cap of \$80.6 billion, as its stock trades at \$73.52 per share after rising by about 40% in 2022. At the current market price, this amazing Canadian dividend stock offers an impressive yield of 4.1%. While Canadian Natural stock continues to beat the broader market by a huge margin on a year-to-date basis, it has seen a nearly 10% correction in the last six months, making it look [undervalued](#).

To give you an idea about the strength in its financial growth trends, Canadian Natural's total revenue increased by 186% in five years between 2016 and 2021. More importantly, its adjusted earnings jumped by an outstanding 1,125% during the same five-year period.

Bottom line

Interestingly, if you'd invested \$40,000 in CNQ stock from your TFSA nearly 20 years ago and used dividend income to buy more of its shares, your invested money would have grown to close to \$1 million by now. Overall, I expect its diverse [asset base](#) with long reserve life and low decline rate, its strong balance sheet, and robust cash flows to help Canadian Natural continue delivering investors outstanding returns going forward as well.

That said, TFSA investors may want to diversify their stock portfolios by adding more such safe stocks instead of investing a big sum of money in a single stock.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. TSX:CNQ (Canadian Natural Resources Limited)

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1. Business Insider
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