



Pad Your TFSA With These 3 High-Performing Stocks

Description

My top picks for 2020 are a mix of businesses that offer great dividends and provide an essential service. I take the view that even if we slip into a full recession, consumers and businesses will need to purchase essential services and items to remain operational.

Keyera ([TSX:KEY](#)) services the oil and gas industry and has a market capitalization of \$7 billion. The company services oil and natural gas businesses in Western Canada and transports propane, ethane, butane, condensate and iso-octane throughout North America. Like all the oil and gas industry businesses, the stock took a hit years ago, but Keyera has been rebounding. A five-year total return is -7.42%, but the company's one-year total capitalization is 16.60%. The company's trailing annual dividend yield was 1.84 (5.67%).

Recession or no, people will need to heat their homes. There is no way Canadians will turn off the heat entirely during winter. Over six million Canadians use natural gas to heat their homes. Heating with natural gas is cheaper than with electricity, and if the recession drags on for a long time, many Canadians will make the switch to natural gas.

As coal production gets phased out, utilities are turning to natural gas to generate electricity. Natural gas generates 13% of all Canadian electricity, and the number is expected to grow. I suggest you hold [Keyera](#) through to 2025 and then assess how the company competes against renewables.

RioCan Real Estate Investment Trust (TSX:REI:UN) has a market capitalization of \$8.82 billion and owns and develops mixed-used properties. Most of the company's properties are in Ontario, but the company has properties in other parts of Canada and the United States. RioCan pays an annual dividend yield of 5.18% and is one of Canada's largest REITs.

Net income in Q3 2019 was up \$48.7 million compared to Q3 2018. The increase in income is largely attributable to the increased value of their properties and higher rents.

I like RioCan because of the company's diversified tenant portfolio. The company leases properties to some of the largest businesses in Canada, such as **Walmart**, **Loblaws**, and **Metro**, providing RioCan with a stable source of income. Note, the anchor stores in RioCan's properties sell essential goods to

Canadians. The anchor stores aren't likely to go out of business.

The company's 97% occupancy rate adds to the stocks' appeal. RioCan has focused on purchasing locations next to existing transit. In cities like Ottawa, where there has been rapid growth, many retail facilities have been waiting for years to have improved transit to their locations. RioCan has largely avoided this problem because of the company's strategic purchases. I want to see a management team that foresees problems and takes steps to avoid them.

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is Canada's largest communications company. Bell is the second-largest wireless service provider in Canada and has a dividend yield of 4.91%.

I like Bell for the simple fact that no matter how soft the economy becomes in 2020, comparatively [few Canadians will cut](#) their cell phone subscriptions. Cell phones aren't like television cable. Even low-income earners need access to the internet to apply for jobs, check job schedules, and do banking.

While Bell was slow to respond to online streaming services, the company has since developed Crave TV and has extensive radio services in Canada and the United States. Let's not forget Bell owns CTV, which retains robust viewership.

Bell continues to innovate in the sphere of smart cities and the Internet of Things. Bell has developed tools for crop monitoring, satellite imaging, and integrated farm data management. I'll always buy into a company that's investing in R&D over one that isn't.

CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:KEY (Keyera Corp.)
4. TSX:REI.UN (RioCan Real Estate Investment Trust)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

Tags

1. Editor's Choice

Date

2025/08/18

Date Created

2019/12/13

Author

rgendron

default watermark

default watermark