



The 7%-Yielding Passive-Income Portfolio

Description

Generating an income portfolio of more than 7% from Canadian stocks is not inconceivable. There are a number of companies operating in a variety of industries that can give you a current yield of 6-9% with only moderately higher risk. The following six companies are trading at a decent value today, some at greatly reduced prices.

The 7% portfolio

Inter Pipeline (TSX:IPL): This Canadian dividend giant pays a yield upwards of around 8.2% at current price levels. The company has been raising its dividend regularly over the years as well, and that trend is set to continue. The company has been under pressure from lower oil prices, but it has an ace in the hole. In 2019, IPL will be completing work on one of its major projects, the Heartland Petrochemical Complex, which will diversify and add to the company's revenue stream.

Alaris Royalty (TSX:AD): Alaris is a great holding for yield-hungry investors due to its diversified revenue streams and access to a variety of industries. Alaris currently receives revenue from a number of sectors, such as industrial and medical companies. The company's stock has recently fallen back once again, leaving the yield at just under 9% at the current share price.

Cineplex ([TSX:CGX](#)): This movie theatre chain is known by practically everyone in Canada. With successful features like *Avengers: Endgame* putting bodies in its seats and the growing popularity of the company's Rec Room venues, Cineplex could be a winning proposition. If you aren't afraid of its high debt levels, you will appreciate the company's almost [7% dividend](#).

H&R REIT ([TSX:HR.UN](#)): We can't talk about Canada without talking about real estate, and this is one of the biggest real estate companies in Canada. This REIT has numerous office, retail, industrial, and residential properties across North America. It pays a healthy distribution yield of 6%.

Laurentian Bank ([TSX:LB](#)): While I am not a fan of the Canadian real estate market, the fact remains that it has been a money maker for banks over the years. And while Laurentian did not have fantastic results recently, the stock has been punished to the point where it is yielding 6% at current prices.

Whitecap Resources ([TSX:WCP](#)): Whitecap is a producer in the Canadian oil patch. It is currently increasing production, cash flow, and its dividend, leaving it with a [yield of 6.5%](#) as of this writing. If you think oil is going to be in demand for the foreseeable future, get some shares of this company

Get your 7% yield today!

With these stocks, you should be able to get a combined total yield of over 7%. In addition to the yield, over time many of these stocks should continue to grow their payouts as well. Be cautious, though, since these are small stocks that could be susceptible to significant volatility. Laurentian Bank, with its exposure to the expensive Canadian housing market, and Cineplex, with its reliance on the Canadian economy, stick out as relatively riskier stocks.

But if these companies continue to pay their dividends, in about 10 years you will have made your money back from the compounded returns of reinvested dividends alone. Put a portion of your money into a basket of these high-yield stocks, and you will likely be well rewarded in the long run.

CATEGORY

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

TICKERS GLOBAL

1. TSX:AD.UN (Alaris Equity Partners Income Trust)
2. TSX:CGX (Cineplex Inc.)
3. TSX:HR.UN (H&R Real Estate Investment Trust)
4. TSX:LB (Laurentian Bank of Canada)
5. TSX:WCP (Whitecap Resources Inc.)

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