



## How to Make \$500 in Passive Income Every Month

### Description

Passive income is something that will appeal to just about everyone: making money without having to do anything; one great way to generate a lot of it is through dividend stocks.

Finding a good yield that can provide you with some recurring cash flow can be a great way to help pay your bills every month, or just to grow your portfolio's value over time.

The good news is that there are many good dividend stocks to choose from, giving investors the ability to focus on certain industries and select the right stocks for their portfolios.

One stock that stands out for me today is **Cineplex Inc** ([TSX:CGX](#)). Not only is the company a strong brand in the country and one that has been [reinventing itself](#) to adapt to changing customer needs, but it's also been remarkably consistent.

Despite the growing popularity of online streaming, Cineplex's results have remained strong. While there may not be significant growth to be had, the company isn't struggling to find customers either.

People have been streaming movies online for years now and yet, sales for Cineplex have risen for seven straight years.

The business model still works, which makes it a whole lot easier justifying investing in the stock today.

Although Cineplex has not gotten a lot of love from investors and has fallen over the past year, there's been some stability in the last few months, indicating that perhaps the worst may be over for this [low-beta stock](#).

For dividend investors, that could be great news as the stock is a very attractive investment for its monthly payouts. Currently yielding around 7.3% per year, Cineplex stock could generate a lot of passive income for your portfolio.

What makes it even more appealing is that in addition to paying a high yield, the payouts could get even stronger in future periods as Cineplex recently hiked its dividend from 14.5 cents every month to

15 cents.

It has increased its dividend payments many times, and assuming we continue to see strong results from the company, it's a trend that could continue for the foreseeable future.

## Getting to \$500 in dividends

If you're looking to generate about \$500 a month in the way of dividend income, you would need to invest around \$82,000 in Cineplex stock today.

It's definitely no small investment to make, but if the stock has found a bottom, then it could turn out to be a great buy not only for the income the stock produces, but also for the potential capital appreciation that could be earned as well.

If you have room in your TFSA, you could even shield most of that dividend income as well. If you have a partner or family member, together you could invest in Cineplex and be able to earn the entire dividend amount tax-free.

It's by no means a risk-free strategy, but if you're looking at the near term, Cineplex could be an attractive option. I wouldn't recommend just buying and forgetting about this stock, however, as you could be in for a big surprise in a few years if things continue to go south.

However, if you keep a close eye on the stock you can collect the dividend income and be in a good position to benefit from a rising share price, while still being able to control your overall risk in the stock.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:CGX (Cineplex Inc.)

### PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

### Category

1. Dividend Stocks
2. Investing

### Date

2025/08/18

### Date Created

2019/08/04

**Author**  
djagielski

default watermark

default watermark