



## TFSA Investors: How to Turn Your TFSA Into a \$1,000/Month Tax-Free Income Stream

### Description

I'm sure you would like to receive a passive income of \$1,000 per month. Think about what you could do with that extra income. The great news is that you don't need a TFSA of \$1,000,000 to get that: about \$100,000 will suffice if you buy dividend stocks yielding around 10%.

The three following stocks have a dividend yield between 8.1% and 14.6%, for an average yield of 12%. By buying an equal amount of each of these stocks in your TFSA, you'll receive about \$1,000 per month tax-free. If you have less than \$100,000, you can buy more of the highest yielding stock to reach \$1,000.

### Vermilion Energy

**Vermilion Energy** ([TSX:VET](#))([NYSE:VET](#)) is a Canadian oil and gas producer focused on the acquisition, development and optimization of production properties in North America, Europe, and Australia. The company was founded in 1994 and is headquartered in Calgary.

Vermilion pays a monthly dividend of \$0.23 per share, which represents an annualized dividend of \$2.76. This is one of the highest yielding stocks trading on the TSX right now, with a dividend yield of 14.6%. The yield has increased quickly, as shares have dropped by 30% over one year.

Vermilion CEO Anthony Marino has told BNN Bloomberg in an interview that the dividend is safe. The company has been paying a monthly dividend or distribution for 16 years and has never cut it. Marino said that the payout can be [maintained](#) through cost efficiency.

Earnings per share are expected to increase next year by 66.7% to \$0.45, and by 26.3% on average annually over the next five years. Vermilion has the highest ROE in the oil and gas sector, 14.02% compared to 5.52% for the sector. Its profit margin of 20.41% is higher than the 2.64% of the sector.

In addition, the P/E of the company is 8.4, while the industry averages 19.7. The main difference with Vermilion is that it gets higher prices in Europe for natural gas.

## Gamehost

Founded in 2003, **Gamehost** ([TSX:GH](#)) is a leading provider of hospitality and entertainment based in Red Deer County, Alberta. The company's segments include Gaming, Hotel, and Food & Beverage.

Gamehost operates four main properties in the province of Alberta, each one offering slot machines, table games, superior hospitality and more designed to appeal to casual and dedicated players. Its market capitalization is approximately \$200 million.

Similar to Vermilion, Gamehost pays a dividend every month to its shareholders. The amount paid monthly is \$0.0575 per share, or \$0.69 annually, for a current dividend yield of 8.1%.

Gamehost's focus on increasing shareholders' value is clearly stated in its mission to reduce costs and improve offerings, creating some of the highest profit margins in the business.

While earnings per share are expected to remain flat at \$0.48 per share in 2020, they should grow by 4.7% to \$0.51 in 2021. Gamehost's shares are down 8% year to date.

## Chemtrade Logistics Income Fund

**Chemtrade Logistics Income Fund** ([TSX:CHE.UN](#)) provides industrial chemicals and removal [services](#) in Canada, the United States, and South America.

The company manufactures a range of chemicals as well as ingredients for prescription drugs, nutritional supplements and veterinary products. Chemtrade is the largest supplier of sulfuric acid in North America. The company was founded in 2001 and is headquartered in Toronto.

Chemtrade also pays a dividend each month, which currently amounts to \$0.10 per share, representing a \$1.20 dividend on an annualized basis. The dividend yield is 13.7%, one of the highest among TSX stocks.

Chemtrade is a reliable dividend payer, as it has paid a monthly distribution every month since 2007.

For fiscal 2020, earnings are expected to increase by about 100% to a small loss of \$0.01 per share. The stock has dropped by 15% over one year.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:VET (Vermilion Energy)

2. TSX:CHE.UN (Chemtrade Logistics Income Fund)
3. TSX:GH (Gamehost)
4. TSX:VET (Vermilion Energy Inc.)

## **PARTNER-FEEDS**

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