



Do You Know How a \$200 Weekly Savings Can Generate Monthly Income of \$2,767?

Description

Creating wealth or attaining financial security in your retirement days doesn't require self-deprivation. Even a [modest \\$200 weekly savings can go a long way](#). Does that sound unreal? It's not.

A weekly savings of \$200 will help you accumulate \$208,000 in 20 years. However, if you regularly invest these savings in TSX stocks offering an annual return of 10%, you'll have \$664,000 and some change thanks to the compounding effect. Further, if you invest \$664,000 in the shares of the Canadian companies that offer a decent dividend yield of 5%, it could earn you \$33,200 per year, which is roughly \$2,767 per month.

Here are my top three stocks that can help you achieve this goal and can even generate healthy passive income along the way. It is advisable to invest through your Tax-Free Savings Account (TFSA), as you get to keep all your dividends and capital gains without paying taxes.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is a solid stock for the long-term investors, thanks to its high and reliable yield and resilient business. While lower oil prices remain a drag in the short term, its diverse revenue streams minimize risks and help in safeguarding its EBITDA and payouts.

Investors should note that majority of Enbridge's adjusted EBITDA is backed by take-or-pay contracts and cost-of-service arrangements, implying that the [lower throughput](#) on its mainline system is unlikely to hurt its EBITDA. The company continues to bolster its operational and financial strength by focusing on resilient businesses, simplifying the corporate structure, reducing costs, and lowering leverage.

Enbridge has a long history of consistently paying higher dividends to its shareholders. The company has increased its dividends at a compound annual growth rate (CAGR) of 11% in the past several years and offers a high yield of 7.4%. With its strong growth prospects and high yield, Enbridge stock is must-have stock to create wealth in the long term.

Kinross Gold

Investing in **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)) can not only generate strong growth but will also help in safeguarding your TFSA portfolio against wild market swings and economic downturns. I am optimistic about the long-term prospects of the precious metal, which should drive Kinross Gold stock.

Kinross Gold derives the majority of its production from low-cost mines, which helps in expanding the margins. With higher average realized gold price, increased production through low-cost mines, and focus on reducing debt, Kinross Gold stock could deliver exceptional growth in the long term.

Absolute Software

Absolute Software (TSX:ABT) stock offers a perfect blend of growth and income. Its security software continues to witness steady demand, implying that the company's annual contract value base could increase at a healthy pace in the coming years.

The company generates high recurring revenues and continues to add new customers. Its retention rate remains very high. Investors should note that Absolute Software has very few direct competitors, and the demand for security software is most likely to increase in the future, acting as a significant tailwind for the company.

While the company continues to grow organically, its debt-free balance sheet indicates that its strategic acquisitions in the future could augment its growth further. Absolute Software also pays a quarterly dividend, which translates into an annual yield of about 2%.

Bottom line

Consistently investing \$200 in these TSX stocks could help you accumulate a significant amount of capital in the long run. A steady dividend income could further enhance your returns along the way.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Metals and Mining Stocks
5. Tech Stocks

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)

2. NYSE:KGC (Kinross Gold Corporation)
3. TSX:ABST (Absolute Software)
4. TSX:ENB (Enbridge Inc.)
5. TSX:K (Kinross Gold Corporation)

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