



## Worried the CRA CERB Is Expiring? Earn \$2,000 Every Month This Way

### Description

The Canada Revenue Agency (CRA) has extended the \$2,000 per month Canada Emergency Response Benefit (CERB) until it expires in October 2020.

This may leave you wondering now how you could better protect your income security going forward. The fact is, Canadians can start now to build their own \$2,000 per month (or \$24,000 per year) rainy day CERB-like income plan. With a little bit of discipline, it is absolutely possible, and it will sure help you sleep better at night.

### Save, save, save

If you were to save about \$2,500 per month you would end up with \$30,000 by the end of the year. If you did that for 10 years, you could have roughly \$300,000 in the bank (or much more if you invested every installment and started compounding returns).

### Invest, invest, invest to build your CERB

Here is one scenario on how you could build your own \$2,000 per month CERB investment income (either with savings held now or with the savings you are raising). Note that this is just to demonstrate the income potential of investing, and generally I would recommend a diversified portfolio of 15 to 25 stocks.

### Enbridge

Put your first \$100,000 into **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)), which yields a 7.42% dividend today. You could earn \$7,420 a year, or average \$618 per month.

Enbridge has a one of the largest oil and gas pipeline networks across North America. 98% of revenues are regulated or contracted with credit grade counterparties. Only 2% of its business is really

exposed to any type of commodity pricing. As a consequence, its annual cash flows are very stable and secure.

Enbridge had a stronger-than-anticipated second quarter, and it continues to push forward its \$11 billion capital growth plan. Management believes it can accrete 5-7% distributable cash flow growth from organic initiatives and capital accretion over the next few years. This company has a strong history of dividend growth (10-year dividend CAGR of 14%), and I think it makes a perfect long-term hold for your CERB income plan.

## Telus

Put \$100,000 into **Telus** ([TSX:T](#))([NYSE:TU](#)), and you would earn \$4,830 per year or average \$402.50 per month from its attractive 4.83% yield. Of all the Canadian telecoms, I am most bullish about Telus. It has done an excellent job investing in the infrastructure of its wireline and wireless segments.

[Telus provides some of the best internet and data speeds in the industry](#). It also has done a great job diversifying into new digital growth verticals like Telus Health and Telus International. While small contributors to EBITDA, these verticals will play out well in the post-pandemic world.

Telus had one of the best second quarters among peers (despite facing COVID-19 headwinds). It actually saw net customer growth in the quarter, and I think that speaks to the quality of its service offerings. If you want a stable company that has some long-term price and dividend growth, Telus is a fantastic choice for your CERB portfolio.

## Brookfield Property Partners

The last stock you could put \$100,000 into is **Brookfield Property Partners**. The stock is trading with a massive 11.83% dividend! You could yield \$11,830 in annual dividends (about \$1,000 averaged per month). This stock is cheap for a reason. A majority of its income comes from retail malls in the U.S. and an international office portfolio. Even though these are best-in-class properties, these real estate segments are certainly challenged right now.

Yet BPY is backed by its well-capitalized parent, **Brookfield Asset Management**. As a result, I believe it will sustain its dividend. [The stock is incredibly cheap](#), its properties are high quality, and it trades at a significant discount to its net asset value. There are short-term risks with this stock, but there is also major upside if real estate fundamentals normalize in the future.

## The CERB portfolio bottom line

While I don't recommend putting a third of your savings into any one stock, this only demonstrates that you can begin to build a CERB-like investment income plan. If you work hard, save, do your homework, and invest wisely, \$2,000 of monthly income is possible to achieve in less than even a decade!

Stay Foolish.

### CATEGORY

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

## **TICKERS GLOBAL**

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:TU (TELUS)
3. TSX:ENB (Enbridge Inc.)
4. TSX:T (TELUS)

## **PARTNER-FEEDS**

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

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