



Got \$25,000? Here's How You Can Make \$100/Month in Dividend Income

Description

Dividend income can help supplement your earnings and allow you to live a bit more comfortably. If you've got \$25,000 you can afford to invest, then I can show you how you can earn at least \$100/month by investing in three different stocks. Not only will you diversify your portfolio, but you'll also earn a great recurring dividend. And you don't have to limit yourself to stocks that just pay monthly dividends.

Three different stocks, three different yields and payment schedules

The key to making this work is stacking dividend payments to ensure every month you're receiving something from one of your stocks. Here are the investments that can accomplish this for you:

- **Innergex Renewable Energy Inc.** ([TSX:INE](#)) pays in the middle of January/April/July/October and its yield is 3.12%.
- **Laurentian Bank** ([TSX:LB](#)) pays at the start of every February/May/August/November and it's yielding 5.83% today
- **Corus Entertainment Inc.** ([TSX:CJR.B](#)) pays at the end of March/June/September/December schedule and the stock's currently yielding a solid 8.6%.

With different dividend yields, you'll also need to invest different amounts of money in order to come away with the same \$100 in dividends. But I've done that for you as well. Here's how that schedule looks:

Stock	Yield	Invested	Schedule	Quarterly Payment
INE	3.1%	\$12,903.23	1/4/7/10	\$100.00
LB	5.8%	\$6,896.55	2/5/8/11	\$100.00

CJR.B	8.6%	\$4,651.16	3/6/9/12	\$100.00
Total Invested		\$24,450.94		

By stacking these dividend payments, you can achieve the same result as if you were to invest the full amount into one stock that pays a monthly dividend.

The benefit here is that you achieve more diversification and you're not limiting yourself to just stocks that pay monthly. Technically, you won't need to use the full \$25,000 to achieve monthly payments of \$100.

Since Corus earns the highest yield, you only need to invest \$4,651.16 into the stock to earn an annual dividend of \$400. Its quarterly payments will come out to \$100 and will be paid every March, June, September, and December. At a 5.8% dividend yield, you'll need to buy \$6,896.55 worth of Laurentian shares to earn the same total dividend income. And with the lowest yield, you'll need to invest \$12,903.23 in Innergex to earn an equal amount of dividend income.

Why this is a good mix

The three stocks listed here can help give your portfolio a variety of industries, from banking to utilities to media.

Corus is a dirt-cheap entertainment stock that at a price-to-book multiple of less than 0.7 is an amazing deal. With some great assets including radio and television channels, it's a solid way to position yourself from the inevitable return of advertising revenue once the economy gets going again.

And don't forget, the company's partnered with **Amazon** to offer some of its channels through [STACKTV](#), which is available on the tech giant's Prime Video service. Overall, it's a quality stock that's grossly undervalued and that has the potential to generate some great returns for your portfolio.

Laurentian Bank [slashed its dividend payments](#) earlier this year but even with quarterly payments of \$0.40, the company's still paying its investors a great dividend. And if the company's recently cut its dividends, you can bet it's not going to want to do it again unless something catastrophic happens, and that's why the bank stock may actually be a safe dividend stock to buy right now. Like Corus, this is another cheap stock, trading at an even lower price-to-book multiple of just 0.55.

Finally, Innergex offers investors another good way to diversify. The utility stock is not volatile, averaging a beta of just 0.39 over five years. And with a focus on renewable energy, it could become a great long-term buy, with assets in hydroelectricity, wind, and solar power.

At a price-to-book multiple of over 4.3, it's not as cheap as the other stocks on this list, but it's also

been the best-performing one this year, with its shares rising by 36%. Corus, meanwhile, is down 48% and Laurentian's fallen 38%.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CJR.B (Corus Entertainment Inc.)
2. TSX:INE (Innergex Renewable Energy Inc.)
3. TSX:LB (Laurentian Bank of Canada)

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