



Passive Income: How to Earn \$150 per Month in 2021

Description

The coronavirus pandemic has not only impacted the operations of businesses or the lifestyles of Canadians. In many cases, it's also impacted both the long and short-term financial goals of Canadians. While many are trying to find the extra time at home to do something productive, others have used the opportunity to find new ways to earn income, whether passively or through side jobs.

Then there are those who have turned to the stock market. And while there is a lot of speculative trading going on these days, it shouldn't detract from the fact that investing is one of the best ways to reach your financial goals.

When investing, in order to mitigate risk, protect your capital, and earn extra income investors should consider buying high-quality dividend stocks. These stocks not only pay investors passive income, but they are usually a lot less volatile, helping to protect your money.

And because some of these stocks are trading at attractive valuations, you can lock in an exceptional dividend yield. This makes it possible to earn almost \$150 a week investing in dividend stocks.

A top dividend investment

The energy sector has been one of the worst impacted industries of the pandemic. However, that doesn't mean that there aren't attractive investments in the sector. Companies such as **Enbridge Inc** ([TSX:ENB](#))([NYSE:ENB](#)) have remained relatively strong through the pandemic.

Since it's not an energy producer, it's been able to weather the storm much better. So while the stock is down around 25% over the last 12 months, the massive dividend stock has still protected investors' capital quite well.

What this discount *does* do is offer investors a chance to buy this high-quality stock for dirt cheap. [Enbridge](#) has been at the heart of the economy for years and continues to play a central role in North American energy. So although there are several issues facing the energy sector, management points out that Enbridge has traditionally continued to grow through these situations in the past.

Passive income potential

Because Enbridge is so safe and its cash flows are so robust, it makes the company an ideal investment for passive income seekers.

Its widely diversified assets make the blue-chip stock an incredible long-term investment. Plus, its continuously growing cash flows make the stock perfect for annual dividend increase.

It should therefore come as no surprise that Enbridge is one of the most attractive stocks on the [Canadian Dividend Aristocrats](#) list. After last December's dividend increase, Enbridge has now raised its payout for 26 consecutive years. That's incredibly appealing for passive income seekers, especially when you consider its current dividend yields roughly 7.66%.

That means if you were to invest \$100,000, you could generate just under \$150 a month in passive income. Now obviously, you need to diversify, and you're not going to make this entire investment at once. However, it shows the incredible power of passive income, especially if you can find more resilient, high-yield stocks like Enbridge.

Bottom line

Canada's oil and gas sector has the potential for a big rebound this year, but only if the economy can emerge from the coronavirus pandemic. Lockdowns and restrictions have weighed heavily on oil demand, so as these restrictions ease, look for the sector to rebound considerably.

With Enbridge, investors can earn an attractive passive income stream. And if the economic recovery materializes, you can expect some considerable capital gains this year as well.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)

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