



Passive Income Alert: Earn \$300/Month With These 2 Stocks

Description

Canadians can earn income regularly in a less strenuous way. Passive investors, like many retirees, invest in [dividend stocks](#) because it doesn't require constant monitoring or active participation. The only effort, in the beginning, is to pick well-established companies that pay handsome dividends.

Keyera ([TSX:KEY](#)) and **First National Finance Corporation** ([TSX:FN](#)) yields up to 6.5% right now. Also, you're not purchasing the assets for the generous dividends alone. Both companies have attributes to [mitigate market risks](#). If you can accumulate more shares, you can potentially generate \$300 in passive income every month.

Improving global energy demand

Keyera is a favourite of income investors as it's one of the select few on the **TSX** that pay monthly dividends instead of quarterly. At \$29.98 per share, the dividend yield is 6.51%. It can compete with or hold a candle against [industry giants](#) **Enbridge**, **Pembina Pipeline**, and **TC Energy**.

The \$6.63 billion energy infrastructure company is relatively young compared to the pipeline companies. However, it's an independent midstream company that boasts interconnected assets across the country. Keyera's domain is in the Edmonton/Fort energy plus the Western Canada Sedimentary Basin.

Last year was a drag, if not a nightmare, for energy companies due to economic uncertainties. Fortunately, Keyera withstood the massive headwinds. The company delivered strong Q1 2021 (quarter ended March 31, 2021) financial results. Management credits the strengthening of the global energy demand and commodity prices for the impressive business performance.

On the TSX, the stock's performance is stable. Current investors enjoy a 38.66% gain so far in 2021. A potential capital gain looms as analysts forecast a 16.52% return potential in the next 12 months.

Leading mortgage solutions provider

First National Finance is a stalwart in real estate financing, but it's a non-bank lender. The \$2.79 billion Toronto-based company specializes in residential and commercial mortgages. Its team works closely with the broker community to bring its broad range of mortgage solutions closer to Canadian buyers with financing needs.

The Q2 2021 results show business stability in a challenging environment. First National's top and bottom lines increased by 6% and 3%, respectively, versus Q2 2020. Its Chairman and CEO, Stephen Smith, said, "Second quarter performance demonstrates the strength of our business model, exceptional market demand for mortgages in a robust real estate market."

The company garners a significant market share in the mortgage broker channel because of relationships built through the years combined with efficient and effective execution. Notably, commercial mortgage originations are 25% higher compared to last year.

First National's financial performance reflects in the stock performance. At \$46.53 per share, the year-to-date gain is 15.22%. The current dividend yield is 5.05%. Last, the financial stock isn't a mediocre asset. Its total return in the last three years is 96.13% (25.12% compound annual growth rate).

After Q2 2021, First National has a \$33 billion portfolio of mortgages pledged under securitization and an \$86 billion servicing portfolio. Management is confident that they will continue to generate income and cash flow for the rest of 2021.

Aim for \$300 every month

Assuming you want to produce \$300 passive income every month, accumulate \$31,200 worth of shares each in Keyera and First National Financial. Because of their high yields and lower risk profiles, both dividend stocks are suitable investments in a Tax-Free Savings Account (TFSA).

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. TSX:FN (First National Financial Corporation)
2. TSX:KEY (Keyera Corp.)

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