



## Got Idle Cash? Earn Passive Income of \$111/Month

### Description

If you are not investing and sitting on idle cash, then you are not alone. Thanks to the stellar rally in equities, they aren't cheap. Meanwhile, lower interest rates on debt instruments make them unattractive.

While investing in the current scenario is tough, piling on cash won't fetch any returns. Thus, channeling cash into top-quality dividend stocks with high yields could be a smarter move. Dividend stocks are mostly stable, thanks to their ability to generate consistent earnings and cash flows. Moreover, they offer steady income in the form of dividends amid all economic cycles.

I would recommend that investors keep reserves for emergencies and put their excess cash to work by investing in dividend stocks. Let's focus on high-quality income stocks with high dividend yields to generate a growing passive-income stream.

### Enbridge

Investors planning to park their extra cash in dividend stocks could consider betting on **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). With a stellar dividend yield of 6.6%, Enbridge is among the [most reliable](#) TSX stocks to start a growing passive-income stream.

The company has a very long history (over 66 years) of consistently paying regular dividends. Meanwhile, it increased its annual dividend at a CAGR of 10% for more than two decades. I am bullish on Enbridge stock and expect it to bolster its shareholders' returns through higher dividend payments.

Its robust cash flows backed by diversified assets and contractual framework indicate that its payouts are very safe. Moreover, strength in its core operations, recovery in mainline volumes, and a \$17 billion secured capital program will likely drive its adjusted EBITDA and, in turn, support its future dividend payments.

## Pembina Pipeline

**Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) is another stock that one could consider to generate a reliable passive-income stream. Like Enbridge, Pembina Pipeline has consistently enhanced its shareholders' returns through higher dividend payments. Moreover, at current price levels, it offers a solid yield of 6.5%.

Pembina Pipeline's assets are highly contracted and diversified, implying that the company could consistently generate strong fee-based cash flows to support its payouts. Furthermore, recovery in energy demand and higher realized prices for commodities augur well for growth.

I expect an improved operating environment, increased pricing, growth projects, and cost-saving initiatives could continue to drive Pembina's profitability and, in turn, its dividend payments. The company pays monthly dividends and can also be an attractive investment for retirees to generate steady monthly income.

## NorthWest Healthcare

With its defensive portfolio of healthcare real estate assets and a high dividend yield of over 6%, **NorthWest Healthcare** ([TSX:NWH.UN](#)) is another top stock for investors looking for [passive income](#). Notably, most of NorthWest Healthcare's tenants are government-backed. Furthermore, a substantial portion of its rent is inflation-indexed.

I believe its low-risk business, high occupancy rate, and long lease expiry position it well to generate steady cash flows. Furthermore, its focus on expansion in the high-growth markets, deleveraging the balance sheet, and strategic acquisitions augur well for future growth and indicate that the company could continue to offer regular cash to its shareholders.

## The bottom line

The payouts of these Canadian companies are very safe and reliable, indicating that one can safely generate a steady passive income over time. It's worth noting that a \$7,000 investment in each of these stocks would generate a passive income of \$111/month.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks
4. Investing

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:PBA (Pembina Pipeline Corporation)
3. TSX:ENB (Enbridge Inc.)

4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:PPL (Pembina Pipeline Corporation)

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#### **Author**

snahata

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