



Collect \$250/Month in Passive Income With These 3 Stocks

Description

The TSX's 12-day winning streak started the fourth quarter. The index registered a record high anew on October 21, 2021, closing at 21,212.39. High commodity prices and the labour market's recovery are key factors for the impressive run.

Canadian investors seeking to build their savings or [make extra money](#) can take advantage of the rising market. For example, the industrial sector shows renewed strength with its 19.65% year-to-date gain.

The top constituents, namely **Bird Construction** ([TSX:BDT](#)), **Acadian Timber** ([TSX:ADN](#)), and **Exchange Income** ([TSX:EIF](#)), are [buying opportunities](#) for income investors. A \$20,000 position in each will generate \$254 in passive income every month. Also, all three are excellent [recovery plays](#).

Leading builder

Bill Ferreira, BuildForce Canada's executive director, said, "Canada's construction outlook is strong for 2021 and well into the middle portion of the decade thanks to gains in the residential and non-residential sectors." Bird Construction, a leading construction company, should benefit from the industry growth.

The \$546.62 million builder provides construction services from new construction for commercial, industrial, and institutional customers. Allied services include industrial maintenance, repair, operations and heavy civil construction. Bird also offers mine support services, vertical infrastructure, and specialty trades.

Thus far, in 2021, Bird has outperformed the TSX (+34.28% versus +21.68%). At \$10.40 per share, the dividend yield is 3.74%. In the first half of 2021, construction revenue grew 65.6% to \$1 billion versus the same period in 2020. Net income was \$20.75 million, or a 207.5% year-over-year growth.

Strong demand

Acadian Timber investors enjoy an 18.32% year-to-date gain on top of the generous 6.33% dividend. Likewise, the business performance is reflected in the stock's performance. In the first half of 2021, sales growth was 3.6%, although net income soared 672.2% to \$11.7 million compared to the same period in 2020.

The \$303.86 million company from New Brunswick supplies primary forest products. Management said the strong financial results were due to favourable operating conditions and stable demand for Acadian's products. Notably, the demand for softwood and hardwood remained strong in end-use markets.

Acadian expects strong demand and pricing for hardwood sawlogs for the rest of 2021. The demand for softwood, hardwood pulpwood, and biomass should also remain steady.

Winning strategy

Exchange Income withstands economic cycles because of its diversification strategy. The company has a market cap of \$1.66 billion and has grown via disciplined acquisitions. It has 15 subsidiaries that operate across various industries. The services include medevac transportation, cargo handling, communication, and tower construction & installation, among others.

In Q2 2021, total revenue climbed 32.2% versus Q2 2020. Meanwhile, it posted a net income of \$16.5 million compared to the \$2.66 net loss. According to Mike Pyle, EIC's CEO, the company plans to grow its existing operations, particularly in airlines. More major contracts and accretive acquisitions should facilitate further growth, says Pyle.

The industrial stock is also among TSX's stable performers in 2021, with its 24.38% year-to-date gain (\$43.83 per share). Its total return in the last 18.75 years is 3,000.93% (20.1% CAGR). Moreover, the dividend yield is a lucrative 5.17%.

Value for money

You'll get your money's worth from the three dividend stocks. Besides the passive income every month, you can derive capital gains when their share prices rise some more.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ADN (Acadian Timber Corp.)
2. TSX:BDT (Bird Construction Inc.)
3. TSX:EIF (Exchange Income Corporation)

PARTNER-FEEDS

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