



2 Stocks to Make \$100 Passive Income Per Month

Description

Stock market investing has become increasingly popular in recent years due to the growing awareness of the importance of using your money to generate more wealth. With rising inflation rates, merely stashing your savings under a mattress or in a savings account cannot provide you with the wealth growth necessary to keep up with rising living costs.

It is ideal for Canadians to find ways to generate enough passive income to keep pace with and even beat market inflation with stellar returns on their investments. The Tax-Free Savings Account (TFSA) has been a blessing for Canadian investors who have been using the tax-advantaged account to generate passive income.

[TFSA investing](#) allows you to keep more of your investment returns. Any contributions you make to the account are done with after-tax dollars. It means that any income generated within your TFSA can grow without incurring income taxes.

Today, I will discuss how you can leverage the tax-advantaged account to generate decent, passive, and [tax-free monthly income](#) to supplement your overall earnings through dividend stocks trading on the **TSX**.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) is a Calgary-based \$23.01 billion market capitalization pipeline company that provides transportation and midstream services for the energy industry in North America. The surge in commodity demand in 2021 has led to the company seeing a massive boost in its revenues, reflected in its rising share prices.

At writing, Pembina Pipeline stock is trading for \$41.88 per share, boasting a juicy 6.02% dividend yield. An investment of \$10,000 in the stock could provide you with \$602 per year in dividends alone, reflecting a passive monthly income of \$50.16.

Extendicare

Extendicare ([TSX:EXE](#)) is an Ontario-based \$641.54 million market capitalization healthcare company that provides care and services for older Canadian adults throughout the country. Extendicare stock is also a monthly dividend-paying company like Pembina Pipeline. While the stock is up by over 10% year to date, its share prices have dipped by 17.30% since July 12, 2021.

While the dip in its share price might seem worrying to some, it could be an excellent opportunity to pick up its shares for a bargain. The stock is trading for \$7.17 per share at writing, boasting an inflated 6.69% dividend yield. A \$10,000 investment in the stock could provide you with \$669 per year through dividends alone, translating to a monthly passive income of \$55.75.

Foolish takeaway

Between the holdings for Pembina Pipeline stock and Extendicare stock of \$10,000 each, you could be looking at a potential monthly income of over \$100 per month. That could be a pretty decent boost to your monthly income, especially given the fact that you do not have to give a chunk of it away as tax by storing your investments in a TFSA.

You will also likely enjoy more tax-free returns through any capital gains for the equity securities in the long run. It could be worth taking a closer look at the two stocks to create a [TFSA income portfolio](#).

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:EXE (Extendicare Inc.)
3. TSX:PPL (Pembina Pipeline Corporation)

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