



## Collect \$1,280/Year Passive Income With This Stock

### Description

Investing in an industry/sector leader is usually a safe choice. Most industry leaders have little to fear from the competition, especially in mature markets. Their profits and growth potential are usually tied to the sector's performance and perception as a whole, and in the case of giants that make up a decent amount of "weight" of the sector, these stocks can actually influence whether the sector goes up or down.

One of these leaders is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). With a market capitalization of \$106 billion, it's by far the largest energy company in Canada (in terms of market cap at least) and one of the largest in North America. The next largest, **TC Energy**, has a market capitalization of \$66 billion. And that's just one facet of what makes Enbridge a powerful holding.

### An energy leader

Enbridge is an energy leader in [North America](#), especially when it comes to energy transportation. As primarily a pipeline company, Enbridge is responsible for producing about one out of every four barrels of crude oil in North America through its massive pipeline network. The 27.5 thousand km crude oil pipeline network is one of the largest (and most complex) of its kind in the world.

The company has recently taken another step towards solidifying its position in the crude oil industry. It bought America's premier crude export facility Moda Midstream for US\$3 billion.

The company also has a sizeable presence in the natural gas sector. The company transports one-fifth of the total natural gas consumed in the U.S. through its 38.3 thousand km gas pipeline network that stretches from Canada all the way to the offshore rigs in the Gulf of Mexico.

The company also has a thriving utility business and has 3.8 million natural gas connections in Ontario and Quebec (residential and commercial). It's also investing heavily in renewables and is expected to build up a capacity of 5.1 GW zero-emission electricity production.

## A generous Dividend Aristocrat

Enbridge used to be an amazing growth stock, but that ship sailed in 2015. Since then, it has been coveted by investors for one reason only: Its generous dividends. The company has been growing its payouts for 25 consecutive years, making it the second-oldest aristocrat in the sector. And when Enbridge grows its dividends, it's more than just symbolic.

The growth is quite significant, especially considering how long the energy giant has been doing it. Since 2017, the company has grown its payouts by 43%. And it had sustained its payouts through some very tough times when giants like **Suncor** were forced to break their [dividend-growth streak](#) and slash their dividends.

## Foolish takeaway

Enbridge is currently offering a mouthwatering yield of 6.4%. It's an impressive number for such an old Dividend Aristocrat. And if you invest about \$20,000 in the company, you can enjoy a yearly passive income of about \$1,280. This translates to more than \$100 a month. It's sizeable enough to stand on its own, or you can use it to invest in other companies or buy more of this impressive [dividend stock](#).

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

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