



4 Stocks to Generate an Income of \$500 Every Month

Description

Finding the right mix of stocks to generate an income stream remains a long-term goal of portfolio investors everywhere. Even better is when those stocks continue to provide annual or better upticks to that dividend, backed by a solid business model.

Here are four such stocks to consider for your portfolio.

Banking on a solid income stream

Canada's big banks remain some of the best long-term investments on the market. It's only fitting then that at least one of those banks would be represented on a list of stocks to generate an income every month.

That bank to consider is **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)). CIBC is not the largest or most well known of Canada's big banks, but it has performed well in recent years.

One area where CIBC stands out is with respect to expansion. Like most of its peers, CIBC acquired its way into the lucrative U.S. market several years ago. Those inroads have allowed the bank to diversify outside Canada and provide an avenue for what is decades of potential growth and expansion.

That expansion is backed by a solid domestic segment at home, which helps the bank generate a stable (and growing) revenue stream.

As an income stock, CIBC provides a juicy quarterly distribution that currently works out to a 4.53% yield. Given a \$30,000 investment, CIBC will provide just shy of \$1,360 income during the first year.

The ultimate defensive investments are here

When thinking about defensive investments, utilities and telecoms often come to mind. There's a good reason for that view, and that's why both **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) and **BCE** ([TSX:BCE](#))([NYSE:BCE](#))

) make this list of stocks to generate an income stream.

Fortis is one of the largest utilities on the continent. Fortis generates a reliable and stable revenue stream that is backed by regulated contracts that span decades. Those regulated contracts also mean that Fortis can turn its efforts to expansion and income generation.

As a growth stock, Fortis has excelled at finding the right acquisition targets over the years. Recently, this has shifted towards investing in upgrading and transitioning its facilities over to renewable energy.

As an income stock, Fortis provides a quarterly dividend that carries a healthy yield of 3.69%. Long-term investors will also love the fact that Fortis has provided annual upticks to that dividend for 48 consecutive years and plans to continue that practice for years to come.

A \$30,000 investment in Fortis will provide investors with just over \$1,100 in income.

Like Fortis, BCE is also a defensive titan. As one of the largest telecoms in Canada, BCE provides nationwide subscription services. Both the internet and wireless segments have grown in importance under the pandemic. More workers and students working and studying remotely than ever before,

This elevates the need to provide those services to a necessity, adding another layer to an already incredibly defensive investment option.

BCE has been providing investors with a payout for well over a century. The current quarterly dividend works out to an appetizing yield of 5.32%. Let's put that earnings potential into context.

A \$30,000 investment in BCE will provide just shy of \$1,600 in income during the first year.

The ultimate passive-income investment awaits

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is a name that should be familiar to most investors. The energy behemoth is well known for its lucrative pipeline segment. What investors may not fully realize though is that Enbridge also has a growing renewable energy segment.

Between the two segments, Enbridge boasts a defensive recurring revenue stream and an avenue for [lucrative growth](#). Factor in the juicy quarterly yield of 7.15%, and you have a superb option for any well-diversified portfolio.

In terms of earnings potential, a \$30,000 investment in Enbridge will earn \$2,145 in the first year alone

Your stocks to generate income are waiting

No investment is without risk. That being said, the four stocks outlined above are, in my opinion, great inclusions to any portfolio. Buy them, hold them, and [generate a juicy monthly income](#). Perhaps best of all, if you don't need to draw on that income yet, reinvesting the dividends until needed can lead to further income growth.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. NYSE:ENB (Enbridge Inc.)
4. NYSE:FTS (Fortis Inc.)
5. TSX:BCE (BCE Inc.)
6. TSX:CM (Canadian Imperial Bank of Commerce)
7. TSX:ENB (Enbridge Inc.)
8. TSX:FTS (Fortis Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. dafxentiou
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/08/23

Date Created

2021/12/14

Author

dafxentiou

default watermark

default watermark