



Passive Income: Earn \$484 Per Month the Foolproof Way

Description

Making money while sleeping is a goal many of us think of achieving when we begin stock market investing. Making the right investments right now can help you find ways to make money and continue growing your wealth easily.

[Dividend investing](#) is one of the best methods to create a passive income stream that can keep lining your account balance with cash just for owning shares of a company. Finding the right dividend stocks that offer you returns through capital gains and reliable shareholder dividends can be challenging, but it is not impossible.

Suppose you have some money set aside as investment capital for a [dividend income portfolio](#). In that case, you might want to take a closer look at these two dividend stocks to earn a substantial amount in dividends alone.

Canadian Imperial Bank of Commerce

Canadian Imperial Bank of Commerce ([TSX:CM](#))([NYSE:CM](#)) is Canada's fifth-largest bank by market capitalization, and it is often considered the riskiest investment among its peers due to its significant exposure to the domestic housing market. There might be concerns about home prices crashing and mortgage defaults coming in droves to impact banks. However, a complete meltdown might be out of the question.

Higher interest rates tend to benefit banks in the long run. It allows financial institutions to generate better net interest margins on the loans they provide. Fiscal 2021 was a strong year for CIBC, and its management recently raised its shareholder dividends by 15 cents. At writing, CIBC stock is trading for \$145.76 per share, and it boasts a juicy 4.42% dividend yield.

Enbridge

Enbridge Inc. ([TSX:ENB](#))([NYSE:ENB](#)) stock could be an ideal stock to own for investors seeking high-

yielding but reliable income-generating stocks. Enbridge has a reputation for providing reliable shareholder dividends, but the company has had its fair share of challenges over the years. At writing, Enbridge stock is trading for \$47.44 per share, and it boasts a massive 7.21% dividend yield.

Typically, such high dividend yields should be a cause for concern because it might be difficult for most companies to sustain such high yields. However, Enbridge is a business with more than enough cash flow to cover its dividend yield. The company's largely contracted or regulated operations in North America see to its cash flow. Enbridge is also gearing up for a greener future by transitioning to renewable energy.

Foolish takeaway

Investing \$50,000 in CIBC stock and Enbridge stock each at current levels means that you could generate \$2,210 and \$3,605 per year, respectively, through shareholder dividends alone. The \$5,815 you earn per year translates to \$484 in passive income each month through shareholder dividends from the two stocks in your portfolio. This is consistent income because the cash is not going anywhere.

If you keep reinvesting the [shareholder dividends](#) through a dividend reinvestment plan, you can buy more shares to generate even more dividend income through the TSX stocks for your long-term financial goals.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:CM (Canadian Imperial Bank of Commerce)
4. TSX:ENB (Enbridge Inc.)

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