



## Earn Worry-Free Passive Income of \$250 Every Month Amid Volatility

### Description

The volatility in stocks remains high amid fears of rising inflation, uncertainty related to the newer variants of the coronavirus, and an expected increase in interest rates. Despite the volatility, investors could continue to earn worry-free passive income through high-quality dividend stocks.

Let's focus on stocks that are worth investing in at current levels to generate a steady inflow of passive income.

### Enbridge

Let's start with **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)), which, in my opinion, is one of the best bets to generate [worry-free passive income](#). Enbridge's ability to consistently generate strong cash flows and continued investments in infrastructure and growth opportunities positions it well to consistently pay and increase its dividend.

It's worth noting that Enbridge has been paying a dividend for over 67 years, while it is yielding over 6.5% at current levels. Enbridge's diversified cash flows, contractual arrangements, strength in the core business, and multi-billion-dollar capital projects are expected to drive its future distributable cash flow per share, which, in turn, will support higher dividend payments. Further, opportunities in the renewable space and acquisitions will likely accelerate its growth.

### Algonquin Power & Utilities

The next stock is from the utility sector, as utility companies are known for paying and increasing dividends without interruption. Within the utility space, I am bullish on **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) stock, which has increased its dividend by 10% annually in the last 11 years.

Algonquin Power's low-risk business mix, long-term contractual arrangements, and growing rate base position it well to generate solid earnings and pay a higher dividend. This utility company projects its rate base to grow at a double-digit rate over the coming years, which will drive its earnings at a healthy

pace. Further, its growing renewable power capacity, long-term agreements, and acquisitions bode well for growth. Algonquin offers a solid yield of 4.9%, which is safe, while its [payouts are sustainable](#) in the long term.

## Fortis

This list wouldn't be complete without **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) stock. This utility company owns diversified rate-regulated assets that generate predictable and growing cash flows, irrespective of volatility and economic situations.

Fortis's conservative business and solid cash flows have enabled it to increase its dividend for 48 years in a row. Further, it projects its dividends to increase by 6% annually in the coming years. Overall, its growing rate base, investments in infrastructure, cost savings, and ongoing shift towards renewable energy are expected to boost its cash flows and future dividends. At current levels, Fortis stock offers a worry-free yield of 3.7%.

## Bottom line

Notably, these Canadian companies have resilient cash flows, while their payouts remain immune to economic cycles, indicating that investors can rely on these companies for a worry-free income.

On average, these dividend-paying stocks offer a dividend yield of about 5%. Thus, with a small investment of \$20,000 in each of these stocks, you could create a portfolio that would generate a passive income of \$250 a month, irrespective of the volatility in the market.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:FTS (Fortis Inc.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:ENB (Enbridge Inc.)
6. TSX:FTS (Fortis Inc.)

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