

Earn \$370/Month With These 4 Dividend Stocks

Description

One of the convenient and cheapest ways to earn passive income is by investing in high-yielding [dividend stocks](#). For 2022, the CRA (Canada Revenue Agency) has set the contribution limit on the TFSA (Tax-Free Savings Account) at \$6,000, with the cumulative contribution room of \$81,500. So, if you invest the entire amount in stocks with dividend yields of over 5.5%, you can earn above \$370 every month. So, here are my four top picks, with dividend yields above 5.5%.

Keyera

First on my list is **Keyera** ([TSX:KEY](#)), a midstream energy company that has increased its dividend at a CAGR of 7% since 2008. Currently, it pays a monthly dividend of \$0.16 per share, with its forward yield standing at 6.36%. With the rising energy demand, the company's asset utilization rate could increase.

Meanwhile, Keyera is making capital investments to expand its asset base. After investing \$438 million last year, it expects to make a capital investment of \$560 million this year, including the KAPS pipeline project. So, these investments and favourable market conditions could boost its financials in the coming quarters. Given its liquidity of \$1.3 billion and a healthy dividend-payout ratio of 61%, I believe Keyera's dividend is safe.

Pizza Pizza Royalty

Second on my list is **Pizza Pizza Royalty** ([TSX:PZA](#)), which had posted a solid fourth-quarter performance earlier this month. Its same-store sales growth increased by 13.9% amid rising walk-in traffic and the reopening of non-traditional restaurants. The rise in same-store sales boosted its royalty income and adjusted EPS by 10.8% and 10.3%, respectively.

After posting an impressive fourth-quarter performance, Pizza Pizza Royalty's [increased its dividend](#) by 8.3% to \$0.065 per month, with its forward yield currently standing at 5.67%. Meanwhile, the company has restarted its expansion plans with the relaxation of pandemic-related restrictions. It expects to grow its restaurant count by 5% this year. Along with these growth initiatives, strengthening digital and delivery channels could drive its financials in the coming quarters.

Pembina Pipeline

Third on my list is **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)), which has maintained or raised its dividend since 1997. The company earns over 85% of its adjusted EBITDA from fee-based contracts, thus allowing the company to pay dividends at a healthier rate. Currently, its forward yield stands at a healthy 5.54%.

Meanwhile, Pembina Pipeline, which had invested around \$658 million last year, expects to make a capital investment of \$665 million this year. Along with these investments, the rising demand for petroleum products could boost its financials in the coming quarters. The company's management expects its 2022 adjusted EBITDA to be between \$3.35 and \$3.55 billion. So, it is well equipped to continue paying the dividend at a healthier rate.

NorthWest Healthcare Properties REIT

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) operates a highly defensive healthcare portfolio spread across seven countries. It enjoys higher occupancy and collection rate, irrespective of the state of the economy, thus generating stable cash flows. The company's long-term contracts and government-supported tenants stabilize its financials.

Further, NorthWest Healthcare is expanding its footprint in Australia, Europe, Brazil, and Canada, and has allocated \$339 million to develop low-risk assets in these countries. It had strengthened its liquidity position by raising around \$200 million in June and divesting its non-core assets. So, given its stable cash flows, healthy liquidity position, and high dividend yield, [NorthWest Healthcare would be an excellent buy](#) for income-seeking investors.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:KEY (Keyera Corp.)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
4. TSX:PPL (Pembina Pipeline Corporation)
5. TSX:PZA (Pizza Pizza Royalty Corp.)

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