



Passive Income: 3 Dividend Stocks to Make Money While You Sleep

Description

Do you want to make money while you sleep?

If so, dividend stocks are the way to go.

Many ads online promote opportunities to make “passive income,” but the vast majority of them aren’t legit. The best of them require heavy amounts of work, the worst are outright scams.

[Dividend investing](#) is the one passive income opportunity that is actually real. You simply invest some money up front and then collect cash payouts for as long as the stock continues paying dividends. It’s one of the best ways to grow your wealth over time. With that in mind, here are three Canadian dividend stocks that can pay you money while you sleep.

Suncor Energy

Suncor ([TSX:SU](#))([NYSE:SU](#)) is a [Canadian energy stock](#) with a 4.4% dividend yield. As an integrated energy company, it makes more money as the price of oil rises. This year, the price of oil has generally been going up. In recent weeks it has been going down, but the current prices are still historically high. Because Suncor makes money by selling crude oil and gasoline, it earns handsome profits in market environments like this one. The proof is in the pudding. In its most recent quarter, Suncor delivered:

- \$1.55 billion in net income, up from a loss
- \$1.29 billion in operating income, up from a loss
- \$3.1 billion in adjusted funds from operations (AFFO), up 157%
- \$3.7 billion in net debt reduction

TD Bank

The **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is a big bank stock with a 3.7% yield. This company has a lot of things going for it. It’s Canada’s second-biggest bank, which gives it a strong

competitive position. It also has a vast and growing U.S. retail business, the ninth-largest in the United States. TD is about to become the sixth-biggest U.S. bank with its upcoming acquisition of **First Horizon Corp.** The First Horizon acquisition will provide TD with billions in new interest bearing assets. It may increase TD's dividend paying ability over the long run. Additionally, TD has a strong dividend growth track record, having increased its dividend by about 9% annualized over the last five years.

Fortis

Fortis Inc ([TSX:FTS](#))([NYSE:FTS](#)) is a utility stock that yields about 3.6% at today's prices. That's not the highest yield on earth, but it has a lot of potential to grow over time. Fortis has increased its dividend every year for the last 47 years. That's one of the best dividend growth track records on the TSX. And it should continue into the future. FTS' management is aiming for 6% annual dividend increases over the next six years, and it has made good on its promises of dividend increases in the past.

Why is Fortis such a reliable company?

Partially, it's just a function of the utilities industry. Utilities are essential services. People don't stop using heat and light in recessions. They might use them less, but they won't cut them out entirely. This is in contrast to discretionary goods which take a real dip in recessions. In contrast to more discretionary services, Fortis enjoys high revenue stability. All utilities have this advantage. But Fortis is a more ambitious utility than most, having grown its business consistently over the decades through acquisitions.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CVE (Cenovus Energy Inc.)
2. NYSE:FTS (Fortis Inc.)
3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:CVE (Cenovus Energy Inc.)
5. TSX:FTS (Fortis Inc.)
6. TSX:TD (The Toronto-Dominion Bank)

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. andrewbutton
2. jguest

Category

1. Dividend Stocks
2. Investing

Date

2025/08/23

Date Created

2022/03/18

Author

andrewbutton

default watermark

default watermark