3 Reliable Passive-Income Generators to Beat Inflation

Description

Unless you are getting appropriately timed and adequate raises in your primary income, you might start experiencing the diminishing financial impact of inflation. You essentially do less with the money you have. And even though you can't do anything about the inflation itself, you can give your earning potential a boost with a passive-income stream.

A senior housing company

Sienna Senior Living (TSX:SIA) has been in the senior care business for almost 50 years. This Markham-based company has a portfolio of properties spread out over two provinces: Ontario and BC and are made up of both retirement residences and long-term care, the latter of which is a costly business mostly thanks to the staffing needs.

But senior care is also a stable business. The senior population and, consequently, the potential client pool of the company is steadily increasing, especially since it caters to the populations of two of the three most populated provinces in the country. This contributes to its dividend stability and offers a strong incentive to lock in the current 6% yield for a passive-income stream.

An energy company

The energy sector is currently more coveted for its explosive growth potential, but the old dividend giants like **Keyera** (TSX:KEY) are still viable investments for dividends alone. This mid-stream oil company specializes in infrastructure and transport, though it's quite different from pipeline companies like **Enbridge** and has different strengths, weaknesses, opportunities, and threats.

Keyera is currently offering a juicy 6.2% yield, which is quite impressive considering the company's recovery bout, which pushed the stock up 152% since the 2020 crash. However, it's still trading at a discount to its pre-pandemic price (about 15%), so there is at least hope for some price appreciation in addition to a good yield that you can lock in if you buy now.

A capital market company

One of the things that investors learned from the Great Recession is that investing in companies whose job is investing is not always a great idea. But the steady track record of **Fiera Capital** (TSX:FSZ), an investment management company that currently has about $188 billion of assets under management, makes it a compelling buy.

However, growth is not the reason to consider Fiera as an investment, even though it has risen 95% in the last two years, but that's mostly thanks to the virtue of the crash and recovery.

Fiera's 8.2% yield is the reason to bag this stock and use it to augment your primary income enough to beat the inflation-driven rise of the cost of living. If you can spare $20,000 from your TFSA for this company, you can generate a monthly income of about $136.

Foolish takeaway

The best place to put these passive-income generators would be your TFSA. This way, you would have an income that wouldn't stress out your tax bill and will still give you just enough edge to keep the additional expenses that are direct or tangential byproducts of inflation.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:KEY (Keyera Corp.)
3. TSX:SIA (Sienna Senior Living Inc.)

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