4 Canadian Passive-Income Stocks to Buy and Hold Forever

Description

Motley Fool investors continue to seek out certainty from the markets. While we haven't taken our eyes completely off growth stocks, we're still hungry for passive income. Dividend stocks are a secure way to bring in guaranteed income, and there are strong ones to consider right now.

If you find high-quality, passive-income stocks, it means you've found companies that can dish out those secure funds for years — even decades, in some cases. That comes from a stable business model with consistent earnings.

If you have cash right now that you're itching to invest, I'd seek out these passive-income stocks.

Low risk with a high yield

For Motley Fool investors seeking a stable investment to put their cash, consider **BMO Canada High Yield Covered Call ETF** (TSX:ZWC). This exchange-traded fund (ETF) seeks to create long-term income mainly by offering up dividends to its investors.

The benefit of a dividend stock ETF is that it can change its investments at any time. Instead of focusing in on one company and hoping it does well, this fund is managed to ensure the highest passive income possible. Therefore, you get diversified investments focused on buying the best passive-income stocks.

Today's dividend sits at 7.2% for Motley Fool investors. So, this is an ultra-high dividend to see you through years of income.

Eat up your dividends

As we saw during the pandemic, grocery stores remain strong, even as the rest of the world closed around them. This came from providing essential services. Even now with inflation rising, grocerystores continue to do well — but perhaps not so well as **Loblaw** (TSX:L).

Loblaw has the advantage of having everything under its umbrella. It purchased Shoppers Drug Mart, has the discount No Frills option, and now even has Esso involved with its PC Optimum brand. So, not only has it remained a stable buy during the pandemic, but it's now simply growing larger than ever before.

That's allowed the company to continue paying out a safe dividend for investors. Motley Fool investors can now bring in top cash from passive-income stocks like Loblaw, which yields 1.32% as of writing.

Speaking of safe…

If you want a safe yield, it can be hard to find an industry that won't fluctuate. However, the healthcare real estate sector has proven to be one of the best places for Motley Fool investors to go. Passive-income stocks that offer dividends based on healthcare properties continue to rise, even as the pandemic recedes.

One of my favourite passive-income stocks these days is **NorthWest Healthcare Properties REIT** (TSX:NWH.UN). While the dividend stock hasn't raised its dividend in some time, it's remained stable. Meanwhile, shares have been rising as the company expands on a global scale. This creates diversified income with an average lease agreement of 14 years!

The healthcare company currently offers a strong dividend of 5.75% for investors to consider, and that's definitely not something to sneeze at.

Bank on funds

Finally, having a Big Six bank in your portfolio is never a bad thing. Canadian banks have proven time and again that they are solid defensive plays no matter what happens on the market. But if you want one among your passive-income stocks, I would consider **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM).

It's clear why. CIBC stock offers the highest dividend of the bunch at 4.25%. Further, it's been growing through its loan business, and expanding into further countries, including the United States. This provides diversified income from the traditionally Canadian stock. And it's certainly one of the best investments to consider for your passive-income portfolio.

CATEGORY

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TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)

2. TSX:CM (Canadian Imperial Bank of Commerce)
3. TSX:L (Loblaw Companies Limited)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:ZWC (Bmo Canadian High Dividend Covered Call ETF)

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