3 Stocks to Quickly Inject Your Portfolio With Passive Income

Description

Are you looking to add some passive income to your portfolio in 2022?

If so, now would be a good time to do it. Value stocks — including dividend stocks — are rising this year thanks to interest rate hikes that are making tech stocks less appealing. As a result, value stocks' dividend yields are coming down. There are plenty of Canadian energy stocks, for example, that yielded over 7% last year that don't even yield 6% today. The high yields are quickly dwindling.

In this article, I will explore three TSX stocks that could still add some much-needed passive income to your portfolio in 2022.

Pembina Pipeline

Pembina Pipeline (TSX:PPL)(NYSE:PBA) is a Canadian pipeline that serves key markets in Canada and the United States. It has 3.1 million barrels per day of pipeline capacity and operates natural gas storage facilities serving clients at rail terminals. It also has a smaller crude oil and natural gas marketing service.

Pembina Pipeline's current dividend yield is 5%. This is much higher than the TSX average, which is about 2.48%. PPL's payout ratio based on trailing 12-month earnings is above 100%. However, estimates of this year's earnings put it at 89%, which is fairly sustainable and is not abnormal for a pipeline company.

Speaking of earnings: PPL's most recent quarter was pretty strong, with $80 million in net income (up from a $1.29 billion loss) and $2.56 billion in revenue (up 52%). If PPL can keep up its recent growth, then its dividend will appear quite sustainable in the future.

CIBC

Canadian Imperial Bank of Commerce (TSX:CM)(NYSE:CM) is a Canadian bank stock that yields about 4%

. It is one of Canada's Big Six banks, and the one whose business activities are most concentrated in Canada. Only about 12% of CM's earnings come from foreign markets (chiefly the U.S.); for other Canadian banks, the figure is as high as 33%.

This focus on Canada gives CM less growth potential than some of its peers, as the Canadian financial services industry is fairly saturated. On the plus side, Canadian banks are generally regarded as being safe, and there is always some potential for growth stemming from higher interest rates, which are beginning to materialize this year.

Enbridge

Enbridge (TSX:ENB)(NYSE:ENB) is another Canadian pipeline stock like PPL. It sports a 6% dividend yield at a 9% five-year CAGR dividend-growth rate. This is one high-yield stock that not only pays but raises its dividend.

The energy industry is in a very good place in 2022, with oil prices rising as supply falls. OPEC is rumoured to be out of spare capacity, and oil isn't flowing freely in Eastern Europe due to the conflict in the region. North American energy companies only benefit from this phenomenon, as the supply rout sends market prices higher.

Enbridge doesn't directly sell oil, but it does transport it and enjoys more demand for its services when prices are high. It also has a natural gas utility business and is steadily raising natural gas rates. So, this is one dividend stock that could really run in the year ahead.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:PBA (Pembina Pipeline Corporation)
4. TSX:CM (Canadian Imperial Bank of Commerce)
5. TSX:ENB (Enbridge Inc.)
6. TSX:PPL (Pembina Pipeline Corporation)

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. kduncombe

Category

1. Investing

Date
2025/08/17
Date Created
2022/04/21
Author
andrewbutton