



3 Passive-Income Stocks to Consider This Summer

Description

Schools are out for many, and summer is finally here! Before settling down for a well-deserved summer break, investors would be wise to consider rebalancing their portfolios with some passive-income stocks.

Here are three great options to consider buying today.

Passive-income stock #1

There are many great buy-and-forget stocks on the market that boast a generous yet stable yield. The first option that comes to mind is **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)). BMO is one of Canada's big banks, with plenty to offer investors.

The bank boasts both a solid domestic network as well as a growing presence internationally. That international presence is focused on the U.S. market, where BMO acquired Bank of the West late last year.

The US\$16 billion deal will expose BMO to several new state markets in the U.S., including the lucrative California market.

Turning to income, BMO offers investors a quarterly dividend that works out to a juicy 3.40% yield. Prospective investors should note that BMO has been paying those dividends longer than any company in Canada without fail. The bank also continues to provide annual or better upticks to that dividend.

Passive-income stock #2

One of the most passive operations anywhere is tollbooths. Think about that for a moment. Tollbooths generate passive income for the use of the road network. The price of gas doesn't impact the ability of the tollbooth to generate income either.

That's part of the reasoning why investing in **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) might be a good idea.

Enbridge is one of the largest energy infrastructure companies on the planet. The company operates a massive pipeline network, which like a tollbooth, operates independently of commodity prices.

That extensive network is responsible for hauling nearly 30% of all crude oil produced in North America. Enbridge is also responsible for transporting one-fifth of all the natural gas that is consumed by the U.S.

If that was all that Enbridge offered, it would be a great investment, but there's still more.

The company is also the third-largest natural gas utility on the continent and operates a growing portfolio of renewable energy facilities.

In short, Enbridge is a well-diversified energy behemoth that offers one of the best passive-income opportunities on the market. The current quarterly yield works out to an appetizing 6.06%, making it one of the better-paying stocks on the market.

Oh, and let's not forget that Enbridge has provided investors with an annual uptick to that dividend for well over two decades. That factor, combined with its juicy yield, makes Enbridge one of the great passive-income stocks to own.

Passive-income stock #3

Another key feature of passive-income stocks that investors should look to is growth potential. That's just one reason why **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is the third stock on the list for prospective investors to consider.

Telecoms are great investments. They generate a reliable revenue stream and, much like utilities, offer a defensive moat around their businesses. That moat has increased in size over the past few years, as more people are now working and studying remotely. The wireless and internet segments in particular have seen significant growth in recent years.

That growth is only going to accelerate, as BCE's [5G](#) and fibre rollouts continue.

In addition to its core subscription business, BCE also operates a massive media arm. That segment includes dozens of radio and TV stations and is complementary to the company's core telecom units.

As an income stock, BCE has provided dividends to investors without fail for over a century. The company has also provided annual bumps to that dividend of at least 5% going back well over a decade. The current yield works out to a juicy 5.57%.

Passive-income stocks for your portfolio

Finding the right mix of passive-income stocks takes time and patience. And while no investment is without risk, all of the options outlined above are great options for any well-diversified portfolio.

In short, buy them, hold them, and watch your passive income grow.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BMO (Bank of Montreal)
3. NYSE:ENB (Enbridge Inc.)
4. TSX:BCE (BCE Inc.)
5. TSX:BMO (Bank Of Montreal)
6. TSX:ENB (Enbridge Inc.)

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. dafxentiou
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/07/21

Date Created

2022/06/18

Author

dafxentiou

default watermark