



Passive-Income Power: How to Churn Out Over \$95/Week in This Bear Market

Description

The **S&P/TSX Composite Index** fell back into correction territory to open the week on Monday, June 13. Investors have some options in this choppy market. For one, they can hunt for discounts and look to capitalize off the inevitable rebound. However, they also have the option to take the passive income route. In this article, I want to discuss how you can generate over \$95/week in tax-free passive income in this bear market. We will be using all our [Tax-Free Savings Account \(TFSA\)](#) room in this scenario. Let's jump in.

Here's a green energy stock perfect for your passive-income portfolio

TransAlta Renewables ([TSX:RNW](#)) is a Calgary-based company that develops, owns, and operates renewable power-generation facilities. The renewable energy space has captured a better-than-expected market share over the past decade. Shares of TransAlta Renewables have dropped 8.3% in 2022 as of close on June 13. The stock is down 15% from the previous year.

This company unveiled its first-quarter 2022 results on May 4. It posted adjusted EBITDA growth of 13% to \$139 million. Meanwhile, free cash flow increased 9% to \$108 million.

The stock closed at \$17.16 on June 13. In our hypothetical, we'll snatch up 1,580 shares of TransAlta for a total purchase of \$27,112. This stock offers a monthly distribution of \$0.078 per share, which represents a 5.4% yield. That purchase means we will generate weekly tax-free passive income of \$28.44.

This energy stock is designed to consistently reward shareholders

Freehold Royalties ([TSX:FRU](#)) is the second stock I'd snatch up to bolster your passive-income portfolio in the middle of June. This Calgary-based oil and gas royalty company owns working interests

in energy and potash properties in North America. Freehold stock is up 29% in 2022, as the energy sector has enjoyed a big boom so far this year.

In Q1 2022, funds from operations climbed 122% to \$71.9 million. Freehold has maintained a very solid balance sheet and should be a prime target for income-oriented investors. It closed at \$15.57 on June 13. For our scenario, we will snatch up 1,745 shares of the energy stock for a total purchase price of \$27,169. Freehold last paid out a monthly dividend of \$0.08 per share. That represents a 6.1% yield. These holdings will see us churn out weekly passive income of \$32.21.

One more stock to bolster your passive-income power

Extendicare ([TSX:EXE](#)) is the third dividend stock I'd look to snag to round out our passive-income portfolio. This Markham-based company provides care and services to seniors across Canada. Its shares have dropped 7% so far in 2022.

Investors should seek exposure to stocks that are well positioned to benefit from Canada's aging population. Shares of Extendicare closed at \$6.90 per share on June 13. In our hypothetical, we'll snatch up 3,940 shares of this dividend stock for a purchase price of \$27,186. Extendicare currently offers a monthly distribution of \$0.04 per share, representing a tasty 6.9% yield. Those holdings mean we can churn out weekly passive income of \$36.36 going forward.

Bottom line

These holdings will allow us to churn out tax-free passive income of \$97.01 per week. That is a nice tax-free payout, especially as investors combat the current bout of volatility.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:EXE (Extendicare Inc.)
2. TSX:FRU (Freehold Royalties Ltd.)
3. TSX:RNW (TransAlta Renewables)

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