



3 Passive-Income Stocks to Help You Through This Market Correction

Description

Motley Fool investors continue to dig deep and look for passive-income stocks during today's market correction. These stocks provide you with some cash flow no matter what the happens on the **TSX** today. But not all of them will see you through to the other side of the market correction.

That's why Motley Fool investors need to seek out companies that will do well even after the market is done. You can't just look at how companies do during a market correction; you need to see how they perform during normal circumstances as well.

With that in mind, here are three passive-income stocks to get you through the market correction and beyond.

BCE stock

BCE ([TSX:BCE](#))([NYSE:BCE](#)) continues to hold the largest share of the telecommunications market. BCE stock holds a \$57 market capitalization and continues to see growth. This specifically comes from BCE stock's rollout of the [5G network](#) and its fibre-to-the-home expansion.

Yet shares of BCE stock are a bargain — one that has a 5.87% dividend yield as of writing. Shares trade at 19.33 times earnings and has a 1.26 debt-to-equity (D/E) ratio. Its earnings continue to soar past estimates, even during this downturn. Yet shares are down 5% year to date.

Over time, however, BCE stock has a lot of solid history of both share and dividend growth. In the past two decades, shares are up 137%, and dividends have increased 206%! That makes it one of the long-term, passive-income stocks where you will see steady, solid growth.

Manulife Financial

Manulife Financial ([TSX:MFC](#))([NYSE:MFC](#)) is another of the strong passive-income stocks Motley Fool investors should consider on the TSX today. It provides financial services across the world,

providing you with diversified, global income. So, when the economy rebounds elsewhere, you'll see a boost from Manulife stock — even if Canada hasn't recovered quite yet.

Yet again, Manulife stock trades at an incredibly low 4.76 times earnings and ultra-low 0.36 D/E. So, you can lock in a 6.15% dividend yield, with shares down 8% as of writing. Again, the company has a strong history of growth. That being said, the company fell severely during the Great Recession in 2009. Since then, however, shares are up by 43%. Meanwhile, its dividend is up 154%.

NorthWest Healthcare

Finally, one of the best passive-income stocks out there has to be **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](https://www.tsx.com/stocks/quotes/NWH.UN)). However, it doesn't have the history that these other companies do. So, this one is more for Motley Fool investors looking for long-term income in the health [real estate space](#).

It's one of the passive-income stocks that provides diversified income by buying up real estate around the world. That real estate includes anything in the healthcare space from parking garages to hospitals. While share growth hasn't been as strong, its growth through acquisitions and property purchases makes up for it. And could set it up for superb growth in the future.

For now, it's one of the stellar passive-income stocks with a yield of 6.71%. Shares trade at 6.17 times earnings, and it boasts 0.85 D/E. Shares are down 11% year to date, but up 13% in the last five years, and analysts believe they could climb much higher in 2022 alone.

Foolish takeaway

Of the three, I have to say I would go with BCE stock among passive-income stocks to come out of a market correction. It certainly has the history and growth behind it to support dividend growth. Furthermore, it has new opportunities expanding all the time and holds the top spot of telecom companies.

However, the second best has to be NorthWest. While Manulife is a strong company and will come out of this market correction, it can be severely hit by downturns. NorthWest, meanwhile, is in an essential industry with many growth opportunities ahead. So, if you want a bit more risk, I would consider this company as well.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:MFC (Manulife Financial Corporation)
3. TSX:BCE (BCE Inc.)
4. TSX:MFC (Manulife Financial Corporation)
5. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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Date

2025/07/02

Date Created

2022/06/26

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