



## Empty Wallet? Fill it With These 3 TSX Stocks

### Description

Motley Fool investors could certainly use some cash right now. In fact, every Canadian could. Inflation continues to rise, up 9.1% year over year in June in the United States. In Canada, it was up 7.7% in May and is likely to rise past 8% in June. That's thanks to the soaring gas prices we were all witness to.

So yes, we need money. That's a given. **TSX** stocks certainly haven't been helping. But a great way to create cash is through passive income. If you have some money sitting there you want to invest but worried about doing so, don't worry. Even new investors can do well if they simply find the right stocks.

### So, what are the *right* stocks?

The right stocks would be valuable blue-chip companies. Value would mean these are companies that have seen strong growth in the past and are lined up for strong growth in the future yet trade within value territory. This could be a low price-to-earnings ratio, low debt-to-equity ratio, or book value — many options are available.

Right now, however, there are a few that remain on my radar trading at 52-week lows. One sector would be the [Big Six banks](#). These TSX stocks trade at low P/E, and yet, with the provisions for loan losses, are likely to see strong returns in the next year or so.

Then there's utility companies. These have been safe havens for many investors on the TSX, but many still offer strong value. So, you don't have to worry as much from a fall in share price, as they'll continue pumping out cash for decades to come.

Finally, I would look at infrastructure. Again, these are a necessary part of our economy — something we cannot live without even during a recession. Since we need water, roads, phones and energy, we're not going to see a sudden drop in these TSX stocks.

### My top recommendations

In this case, the three TSX stocks I would focus on are **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), **Hydro One** ([TSX:H](#)), and **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)). Each of these stocks trade in value territory in one way or another and is in the sectors I've outlined above.

All of these TSX stocks offer a deal right now, down from where they were year to date or, at the very least, a few months back. Each also offers a book value over earnings well below the value threshold of five. And, to top it off, they each offer dividends with strong returns all but guaranteed in the years to come.

## Let's do the math

Lt's say you want to make \$500 per year from these TSX stocks alone. That would mean you want to create about \$167 per stock in annual dividend income. To do that, you would need to invest \$3,569 in TD stock, \$4,399 in Brookfield, and \$5,218 in Hydro One. That comes to a grand total of \$13,186 in these stocks.

Honestly, that's not that much for a guaranteed \$500 from each of these TSX stocks for *life*. It also means you could easily fit this in your Tax-Free Savings Account (TFSA) and start bringing in all that cash today tax free!

But these prices won't last forever. TD stock for example trades at 52-week lows at the time of writing. That certainly won't last long. So, take advantage of the TSX today and get in on this [bear market](#) while you still can to lock up these dividends.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:H (Hydro One Limited)
5. TSX:TD (The Toronto-Dominion Bank)

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## Author

alegatewolf

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