



1 Bear Market Buy to Make \$1,000 in Passive Income

Description

This bear market is a gift for value seekers. You can find so many great stocks on the **TSX** today, it's true. But investing in individual stocks can be costly, and frankly pretty risky. But what if you don't want to miss out, but still want to make some passive income?

Get in on infrastructure

I would look at the [infrastructure sector](#) right now. No matter what happens, infrastructure is always needed. Telephone lines, energy assets, roads, sewers, all of those necessities we take for granted are powered by infrastructure companies. And that means they're also backed by the government, with projects that aren't going to be cancelled on short-term notice.

But here's the challenge. Many companies that are in the infrastructure business rely on just *one* of these areas. Perhaps they *just* do energy, or roads, or telephones — you get the picture. So how can you get in on all of it? Better still, how can you earn great returns, and passive income through dividends as well?

Consider an exchange-traded fund

An exchange-traded fund (ETF) is a great option. Not only could you get a diversified set of infrastructure assets, you can get *global* ones as well. For that I would consider the **BMO Global Infrastructure Index ETF (TSX:ZGI)**. The company has major investments in everything from [pipeline companies](#) like **Enbridge**, to cellphone tower companies like **Crown Castle International**, and everything in between. You can bring in income from all these stable stocks, without the worry.

Why? Because you're paying a small management fee to allow someone *else* to worry about investing in this mammoth sector for you. They're the experts running this ETF with low volatility. An ETF that has seen shares remain stable this year, and up 10% in the last year. And right now it offers a dividend yield of 3.34%.

Make that thousand

With shares hovering around the same price they were at in the beginning of 2022, it's a great time to buy the stock for a future boost. The shares are up 176% over the last decade, registering a compound annual growth rate (CAGR) of 10.69%.

But instead of looking at how long it will take you to make those returns, let's see how much it would take to create \$1,000 in passive income. To achieve this, let's look at the dividend yield of 3.34%. That's \$1.32 per share annually. So to create \$1,000 each year, that would mean investing in 758 shares for a cost of \$32,450 on the TSX today.

Not only is that dividend income guaranteed, you can look forward to it each and every year beyond returns, but it should rise too! In fact, the dividend has risen at a CAGR of 9.35% in the last decade. So if you were to invest that \$32,450 today and see the same growth, in just five years you could have a portfolio worth \$61,417 by simply reinvesting your dividends. That's almost *double* your original investment, all from one safe, passive income-paying stock.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ZGI (BMO Global Infrastructure Index ETF)

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Author

alegatewolfe

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