



Want \$1,000 in Monthly Passive Income? Buy 12,821 Shares of This TSX Stock

Description

The stock market selloff is continuing to make Canadian investors wary in 2022. As high inflation has forced central banks in Canada and the U.S. to take aggressive policy measures by rapidly raising interest rates, investors fear that these steps could lead to a recession in the near term. In such a difficult market environment, it really helps if you own some quality monthly [dividend stocks](#) in your portfolio.

In this article, I'll talk about one of the best monthly TSX dividend stocks you can buy right now to earn \$1,000 in passive income each month.

The best TSX dividend stock for monthly passive income

While picking a high-yield dividend stock to generate reliable monthly passive income, investors must pay attention to that company's recent financial growth trends and [fundamental](#) outlook. This is one of the best ways you can filter out weak stocks that might increase risks to your portfolio.

Ideally, investors should also try to buy dividend stocks on the dip when they look [undervalued](#). Considering all that, I find **Sienna Senior Living** ([TSX:SIA](#)) really attractive to buy right now to hold for the long term. It's a Markham-headquartered firm with a [market cap](#) of about \$862 million and is among TSX Composite components. Its stock currently trades with 22% year-to-date losses at \$11.71 per share.

By comparison, the TSX Composite benchmark has lost 10.6% of its value this year so far. At the current market price, SIA stock has a very attractive dividend yield of around 8%, and the company distributes its dividend payouts on a monthly basis.

What makes this monthly dividend stock worth considering?

Sienna Senior Living mainly focuses on providing seniors' living options, including long-term care, assisted living, independent living, and memory care. To provide these services, the company [owns](#)

and operates 80 seniors' living residences across Saskatchewan, British Columbia, and Ontario. It also manages 13 third-party residences.

The COVID-19 pandemic-driven challenges led to a drop in Sienna's revenue and earnings in 2020. Despite that drop, its total revenue has risen by 34% in five years between 2016 and 2021. During the same period, its adjusted earnings have risen by 15%, showcasing a consistent increase in the demand for its services. You could expect the company's financial growth to accelerate further in the future as a large part of the Canadian population grows older. Notably, the 2021 census predicted that Canada's 85-plus age group population is likely to triple in the next 25 years.

In addition, Sienna is continuing to expand its asset base by making new acquisitions in its domain, which should help it further expand its footprint across Canada and boost financial growth in the coming years. These positive factors make it a very reliable TSX dividend stock to buy now to earn monthly passive income.

Bottom line

If you buy 12,821 shares of Sienna Senior Living at the current market price, you can earn \$1,000 in passive income each month or \$12,000 yearly. But to own these many shares, you would need to invest \$150,134 in its stock right now. While this example gives you a good idea of how you can start earning monthly passive income by investing in Canadian dividend stocks, you must always consider diversifying your investment portfolio by including more such dividend stocks to it instead of pouring in such a big sum of money in a single stock.

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Date

2025/08/16

Date Created

2022/10/08

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