



3 Smart Dividend Stocks That Could Safely Earn \$300 in Monthly Passive Income

Description

If you are searching for passive income on the [Canadian stock market](#), there are still attractive opportunities today. Rising interest rates have put pressure on the valuations of many [dividend stocks](#). As a result, you can buy high-quality dividend stocks with elevated yields and good prices.

Here is one hypothetical scenario about how a \$75,000 investment could earn over \$3,800 a year (or \$316 averaged monthly) in passive income. Here at the Fool, we recommend investors have a widely diversified portfolio of at least eight to 10 stocks. However, this article is meant to demonstrate how you can earn an attractive average yield of about 5% at today's current depressed prices.

TC Energy: 22 years of passive-income growth

With \$25,000 you could buy around 384 shares of **TC Energy** ([TSX:TRP](#)) at a price of \$65 per share. Today, TC Energy stock earns an attractive 5.55% dividend yield. On that, shareholders could earn \$345 of quarterly passive income, or \$115 averaged out monthly.

TC Energy has a market cap of \$64 billion. It is the second-largest energy infrastructure stock in Canada. It is a major player in the natural gas space and transports almost 25% of North America's gas demand. Natural gas is considered an important transition fuel, so its large \$33 billion capital plan should be very accretive over the coming years.

TC has consistently grown its dividend annually since 2000. Right now, it targets 3-5% annual dividend growth, so investors get foreseeable upside from their passive-income stream.

Fortis: 49 years of dividend growth

If you put \$25,000 into **Fortis** ([TSX:FTS](#)) stock, you would be able to buy 464 shares at today's price of \$53.80 per share. Fortis stock earns a 4.23% dividend yield right now. New shareholders could earn \$262 of passive income quarterly or \$87 averaged monthly.

Fortis is about as safe as it gets when it comes to Canadian utilities. Its transmission and distribution assets earn a regulated rate of return, so it has a protected baseline of earnings. The company has modest debt and a long track record of delivering consistent returns.

Fortis has a 49-year history of consecutively increasing its dividend. If it can effectively implement its \$22 billion five-year capital plan, passive-income investors should enjoy 4-6% annual dividend growth all the way to 2027.

Dream Industrial REIT: A top real estate stock for passive income

Dream Industrial REIT ([TSX:DIR.UN](#)) is an attractively priced real estate stock to buy for passive income today. With \$25,000 you can buy 2,083 units at today's price of \$12 per unit. Given that this [real estate investment trust](#) is yielding 5.84%, passive-income investors could earn \$121 in monthly distributions.

Dream has a very good quality portfolio of industrial properties spread across Canada and Europe. Given the challenging economic and political situation in Europe, the market has drastically marked down the value in Dream's stock price. Yet to date, Dream has delivered very solid results, including 10% funds from operation per (FFO) per unit growth.

Dream just entered a new [joint venture](#) to acquire **Summit Industrial REIT**, and this should further add to its growth profile. All around, this is a great passive-income stock with a well-covered monthly distribution.

COMPANY	RECENT PRICE	NUMBER OF SHARES	DIVIDEND	TOTAL PAYOUT	FREQUENCY
TRP	65	384	\$0.90	345	quarterly
FTS	53.8	464	\$0.565	262.16	quarterly
DIR.UN	12	2,083	\$0.05833	\$121.50	monthly

Prices as of 11/23/22

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:DIR.UN (Dream Industrial REIT)
2. TSX:FTS (Fortis Inc.)
3. TSX:SMU.UN (Summit Industrial Income REIT)
4. TSX:TRP (TC Energy Corporation)

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Author

robbybrown

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