



Get Passive Income of \$435/Month With This TSX Stock

Description

Most new investors usually start their investment journey by pouring money into rallying high-growth stocks. However, neither the [bull market](#) nor the [bear market](#) lasts forever. Experienced investors can tell you the importance of having some quality [dividend stocks](#) in your portfolio. Many well-established Canadian companies continue to reward their investors with healthy dividends, irrespective of economic and market cycles, which act as a source of monthly passive income for investors.

In this article, I'll discuss how you can easily get \$500 in passive income each month without worrying about market trends.

How to get monthly passive income in Canada

Although investing in stocks always involves risks, you can try to minimize your risks by adding some [low-volatility](#) dividend stocks to your portfolio. This is one of the key reasons you must pay more attention to a monthly dividend-paying stock's financial growth trends and [fundamentals](#) than its dividend yield. Keeping this principle in mind, **Pembina Pipeline** ([TSX:PPL](#)) could be a reliable TSX monthly dividend stock to invest in right now.

Pembina is a Calgary-based energy transportation and midstream services company with a [market cap](#) of \$26.3 billion. While macroeconomic uncertainties have driven the TSX Composite benchmark down by more than 4% in 2022, PPL stock has risen about 24% on a year-to-date basis to \$47.42 per share. At this market price, the stock offers an attractive annual dividend yield of around 5.5% and distributes its dividend payouts every month. Now, I'll talk about some key factors that make it a great monthly dividend stock to own in Canada.

Key reasons to buy this TSX monthly dividend stock

Pembina Pipeline has been a part of the North American energy infrastructure industry for over six-and-a-half decades. And it has a well-proven track record of delivering shareholder value and dividend growth, making it one of the most attractive monthly dividend stocks on the TSX to consider.

In the five-year period between 2016 and 2021, the company's total [revenue](#) more than doubled from \$4.3 billion to \$8.6 billion with the help of consistently growing demand for its integrated infrastructure solutions. During these five years, its adjusted earnings jumped by 97% from \$1.01 per share to \$1.99 per share. Its consistent financial growth is the key reason why Pembina's dividend per share also grew by about 33% during this period.

I expect the energy firm's financial growth trend to improve further in the coming years, as it focuses on expanding its global presence, lower carbon energy generation, and new carbon capture, utilization, and storage space opportunities. These positive factors should help this monthly dividend stock continue soaring in the long run.

COMPANY	RECENT PRICE	NUMBER OF SHARES	DIVIDEND	TOTAL PAYOUT	FREQUENCY
Pembina Pipeline	\$47.42	2,000	\$0.218	\$435	Monthly
Prices as of Nov. 23, 2022					

Bottom line

If you purchase about 2,000 shares of Pembina Pipeline at the current market price, you can expect to earn \$435 in monthly passive income, which is equivalent to \$5,220 a year. However, to purchase 2,000 shares of this TSX monthly dividend stock, you'll need to make an investment of \$94,840. While dividend investing is a great way to get passive income, you must try to minimize your risks by adding more such stocks to your portfolio instead of investing a large amount of money in a single company.

CATEGORY

1. Dividend Stocks
2. Investing

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