



Lazy Canadians: Here's How You Can Make \$200 Per Week in Passive Income

Description

First, I have a confession: I've always been highly skeptical of passive income. And anytime I read articles on the topic or hear gurus speak about it, I always get the impression that they're promising me "fast money" on income streams that take very little time to set up.

From what I've learned, however, passive income is typically neither fast nor easy. To turn passive income into a lucrative enterprise, you typically have to invest your time and energy as well as money upfront. Even then, you could still fail to produce a strong stream of passive income.

That said, there is *one* truly passive stream of income. It requires some maintenance, but nothing like writing an ebook or founding a successful blog. You could easily earn \$200 per week with this source of passive income, perhaps even more.

How to make \$200 per week in passive income

What is this truly "lazy" income that I speak of? It's simple: earn money off stocks and passively managed funds.

This is the classic way of creating passive income. Instead of starting a YouTube channel or selling ebooks, you pick great, high-quality stocks that will grow your money over long periods of time. Both stocks and passively managed funds grow by compound interest, and though you'll have to pay taxes on capital gains in a non-registered account, you can invest money in tax-advantaged retirement accounts, such as a TFSA, to avoid them altogether.

Now, don't get me wrong: this isn't a cheap enterprise. If you're going to earn money off stocks or funds, you will need a hefty upfront sum. In order to earn \$200 per week, you'll need an initial investment of \$120,000 and an average yield of 9%. You could also have an initial investment of \$137,500 and an average yield of 7%, which will give you roughly \$200 per day, with higher initial investments requiring smaller yield rates.

A 9% yield is fairly high, and you'll likely need to pick your stocks wisely so as to avoid losing money on

that initial investment. To accomplish this, you might want to diversify your stocks, picking a combination of growth and stable stocks. In this way, you can capitalize on the immense upward gains from the former, while also anchoring your portfolio in the stability of the latter.

Of course, picking stocks takes time. For a truly passive source of income, you could always invest in an index fund or ETF. Many of these passively managed funds have low management fees and fairly high yields, especially over long periods of time. Both index funds and ETFs come fully diversified, too, giving you a potential hedge against market downturns.

Can you really earn \$200 a week from stocks?

Definitely. In fact, depending on your investment prowess, you could earn far more than \$200.

Of course, stock investing requires time, too. You have to know enough about companies to feel confident investing in them. And you have to navigate market risks in order to prevent yourself from losing money. But if you invest in great companies over the long run, you could create a passive-income stream that might even replace your normal paycheck — at least, that's the dream, right?

CATEGORY

1. Personal Finance

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

PP NOTIFY USER

1. kduncombe
2. sporrello

Category

1. Personal Finance

Date

2025/09/26

Date Created

2022/04/21

Author

sporrello

default watermark