



3 Monthly Dividend Stocks Paying Up to 9.1%

Description

For income investors, the traditional quarterly dividend payment can be a hassle. We depend on regular distributions to pay the bills. Waiting months between payments isn't always practical.

Thankfully, there's a small group of stocks that send out dividend cheques monthly rather than quarterly. Widely known companies are rare in this group. However, there's enough quality to build a steady stream of monthly dividend income.

Of course, shifting through dozens of securities is a challenge for most investors. So to help get you started, here are three top-notch monthly dividend stocks.

1. Crescent Point Energy Corp. (TSX: CPG)(NYSE: CPG)

Over the past decade, Crescent Point Energy has grown from a tiny, oil patch upstart to one of the largest energy companies in Canada. Chief Executive Scott Saxberg started the firm by buying up oil leases in 2003 when the commodity was out of favour with investors. Through a series of smart acquisitions, he has assembled a remarkable portfolio of light oil assets throughout Saskatchewan, Utah, and North Dakota.

But there's good reason to believe the company's best days are still ahead. Crescent Point is exploiting new shale drilling techniques to boost recoverable reserves, and the major oil discovery it reported earlier this year could ramp up the firm's growth profile even further.

While investors wait for this growth story to play out, they are being compensated with a monthly \$0.23 per share dividend. That comes out to an annualized yield of 6.4%.

2. Student Transportation Inc. (TSX: STB)(NASDAQ: STB)

Student Transportation is a true American business success story. In 1997, the firm began to consolidate the school transit industry by buying out small 'Mom and Pop' operators throughout North America. Today, the company is the third largest school bus operator in North America with customers throughout Ontario and the United States.

Student Transportation returns most of its profits to shareholders. Today, the company pays shareholder a monthly \$0.05 dividend, which comes out to an annualized yield of 7.9%. And because the company is just starting to consolidate the industry, that dividend could grow substantially in the years ahead.

3. Exchange Income Corporation ([TSX: EIF](#))

It's not hard to see the appeal of Exchange Income Corp. The company's business model is pretty simple: buy up cash-generating industrial businesses and pass on all of the earnings to shareholders in the form of dividends.

However, the business has hit a snag in recent months. The stock plummeted after the company reported problems with the rapid expansion of the company's WestTower Communications division, which makes and installs cell phone towers across North America. Exchange Income landed a giant contract with **AT&T Inc.**, but has had trouble rolling out the project.

The setback has created an attractive entry point in the stock. The company's executives are wrapping their heads around the challenges, hiring new management and consultants to find ways to cut costs. While shareholders wait for the turnaround to play out, they can lock in a hearty 9.1% dividend yield.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:VRN (Veren)
2. TSX:EIF (Exchange Income Corporation)
3. TSX:VRN (Veren Inc.)

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