

## 3 Monthly Dividend Stocks Yielding up to 8.7%

### Description

Who wants monthly dividend income?

Sure, traditional blue-chip stocks are a good option. But for those of us who count on dividends to pay the bills, syncing quarterly payouts with monthly expenses can be a hassle.

Some companies, however, have discovered the value of paying shareholders more frequently. Today, there is a growing group of stocks that pay dividends every month. It's a win-win for everyone: Companies gain a loyal investor base while shareholders can better match their income to expenses.

Of course, a stock that pays a monthly dividend isn't automatically a good investment. You still have to dig into the financials. So to help get you started, here are three high quality names that reward shareholders every 30 days.

#### 1. Enerplus Corp.

Many oil drillers have jumped on to the monthly payout bandwagon. To attract investors, these producers have adopted the growth-plus-income model: expanding production *and* rewarding shareholders with juicy dividends.

**Enerplus Corp.** ([TSX: ERF](#))([NYSE: ERF](#)) is a great example of this approach. With exposure to the Bakken region as well as other fields in Alberta and Saskatchewan, the company's oil output is soaring. And while investors wait for this growth story to play out, they're being compensated with an 8.7% dividend yield.

Of course, the recent plunge in energy prices has knocked the wind out of drillers. That said, Enerplus has hedged most of its production out at much higher rates. The company can remain profitable even if oil falls further.

#### 2. Shaw Communications Inc.

**Shaw Communications Inc.'s** ([TSX: SJR.B](#))([NYSE: SJR](#)) cable operations are a wonderful business. Each year the company raises prices. Maintenance costs are only a small percentage of revenues. The rest can be paid out to shareholders.

Customers could switch to a competitor, but that hardly seems worth the hassle. The only true threat to the company's business are cord-cutters; people who drop their cable packages to stream TV shows online. However, Shaw owns that cord, too.

For investors, this means the stock is gushing cash flow. Today, Shaw pays out a monthly dividend of 9.17¢ per share. That comes out to an annualized yield of 3.6%.

### 3. Dream Office REIT

Real estate investment trusts, or REITs, are special property holding companies. Thanks to a loophole in the tax code, these businesses can avoid corporate income taxes. And because many REITs receive monthly rents from tenants, it makes sense for them to pay their unitholders in the same fashion.

**Dream Office REIT** ([TSX: D.UN](#)) is one of my favourite names in this space. However, this firm isn't your traditional landlord. Instead, Dream specializes in office properties, renting out its buildings to tenants like **Enbridge Inc.**, **Telus Corporation**, and the Government of Canada.

This has translated into a steady stream of rental income. Today, Dream pays a monthly distribution of 18.66¢ per unit, which comes out to an annual yield of 8.7%. But as the trust's old leases rollover, I'd expect that payout to grow significantly.

#### CATEGORY

1. Dividend Stocks
2. Investing

#### TICKERS GLOBAL

1. NYSE:ERF (Enerplus Corporation)
2. NYSE:SJR (Shaw Communications Inc.)
3. TSX:D.UN (Dream Office Real Estate Investment Trust)
4. TSX:ERF (Enerplus)
5. TSX:SJR.B (Shaw Communications)

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#### Author

rbailieul

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