



Retirees: 2 Monthly Dividend Stocks I'd Buy With an Extra \$5,000

Description

Many retirees rely on dividends to help cover day-to-day living expenses, but the distributions are generally paid out quarterly, which requires income investors to do a bit of planning. Fortunately, some of Canada's best dividend stocks pay their shareholders 12 times a year.

Here are the reasons why I think income investors with a bit of extra money sitting on the sidelines should consider **Shaw Communications Inc.** ([TSX:SJR.B](#))([NYSE:SJR](#)) and **Inter Pipeline Ltd** (TSX:IPL).

Shaw Communications Inc.

Calgary-based Shaw is a diversified communications and media company that provides broadband cable, Internet, and phone services to more than three million Canadian customers. The company's core geographic stronghold is western Canada, but the company has customers right across the country.

Shaw has avoided the temptation to dive into the wireless telephone business and is focusing its capital on other growth initiatives. Last year the company spent \$1.2 billion to purchase Viawest Inc., a Colorado-based data centre company. The acquisition fits well with Shaw's strategy to expand its technology offerings for mid-market enterprises.

Shaw is also expanding its popular WiFi offering in western Canada. The network now includes more than 50,000 hotspots that allow Shaw Internet customers to get free high-speed Internet access when they are outside of their homes.

The company's media division is also very strong. Shaw owns the Global Television network, as well as a number of Canada's favourite specialty channels, such as HGTV Canada, Food Network Canada, and Showcase.

Shaw is one of those solid, slow and steady stocks you can just buy and forget about. The company increases the dividend every year and the current distribution yields about 4%.

Inter Pipeline

Inter Pipeline is a Calgary-based energy company with great pipeline, storage, and extraction assets. The company operates more than 7,000 km of petroleum pipelines and its storage facilities have a capacity to hold nearly 5 million barrels of crude.

In 2014, the company's infrastructure transported approximately 35% of oil sands volumes and 15% of western Canada's conventional oil production. Inter also operates Europe's fourth-largest bulk liquid storage business.

Most dividend investors choose Inter's larger peers for their pipeline exposure, but that might not be the most profitable move. Inter pays a dividend of 12.25 cents per month that yields about 4.5%. The company raises the payout on a regular basis and the stock is up 170% in the past five years. Recent weakness is providing investors with a great opportunity to get in at a reasonable price.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:SJR.B (Shaw Communications)

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Date

2025/09/10

Date Created

2015/03/06

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