Attention Retirees: Here's Your Instant Monthly Dividend Portfolio

Description

Many pensioners are relying on dividends to help supplement their income. In the past, this wasn't so much the case because bonds and GICs offered enough yield that income investors didn't have to take on the added risk of buying stocks to generate adequate returns.

Today, investing in distribution-paying stocks is really the only game in town, but a lot of the former favourites are oil producers, and those fat payouts have essentially dried up.

Here are the reasons why I think income investors should consider **Shaw Communications Inc.** (TSX:SJR.B)(NYSE:SJR), **Chartwell Retirement Residences** (TSX:CSH.UN), and **Inter Pipeline Ltd.** (TSX:IPL) right now.

Shaw Communications

Shaw's stock has pulled back this year because investors are concerned about new pick-and-pay rules coming into effect in 2016.

Next year, cable subscribers will have the opportunity to pay a basic package fee of $25 per month and then add the other channels on a pick-and-pay basis. The changes could certainly have an impact on some of the content producers if their channels don't get chosen, and the service providers might see some subscribers try to lower their payments.

I think TV fans will simply add channels until their subscription matches the price they are accustomed to paying. As for content, Shaw owns some of the top specialty channels in the country, and it could actually benefit from the new rules because it should be able to charge a premium for its most popular programs.

Shaw's monthly dividend payout provides a nice yield of 4.4%. The distribution is very safe and investors should be comfortable holding the stock at the current level.

Chartwell

Chartwell is Canada’s largest operator of seniors housing communities. The company is capitalizing on strong demographic trends and continues to grow its portfolio of properties through strategic acquisitions.

The trust pays a monthly distribution that yields about 4.7%. The payout ratio is about 72% of funds from operations, so it should be very safe.

Inter Pipeline

Inter operates in the shadows of its larger pipeline peers, but I think the company deserves more respect.

The company moves about 35% of all oil sands production and roughly 15% of western Canada’s conventional oil output. Inter also runs one of North America’s largest natural gas extraction operations and processes 40% of Alberta’s gas exports.

In Europe, Inter’s bulk liquids storage business continues to grow and is seeing strong demand for its services.

Despite the troubles facing the producers, Inter continues to do well and recently reported record Q2 results.

Inter’s monthly payout of 12.25 cents per share currently yields about 5.25%. As new assets come online, Inter’s cash flow should grow. The payout ratio is about 72%, which means the dividend should be very safe.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:CSH.UN (Chartwell Retirement Residences)
3. TSX:SJR.B (Shaw Communications)

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