



3 Top Monthly Dividend Stock Picks for Retirees

Description

As Foolish investors know, dividend-paying stocks are the best way to build wealth, because they far outperform non-dividend-paying stocks over the long term. However, if you do not reinvest your dividends and receive your cheques in the mail to live off of, as many retirees do, then there is one major issue: our bills arrive monthly, but our dividend cheques arrive quarterly.

Fortunately, there are stocks out there that pay dividends on a monthly basis, making everything much easier.

With this in mind, let's take a closer look at three monthly dividend stocks with high and safe yields of 4-8%, so you can determine if you should buy one or more of them today.

1. Chorus Aviation Inc.

Chorus Aviation Inc. (TSX:CHR.B) is a dividend-paying holding company that owns Jazz Aviation LP, one of the largest regional airlines in Canada, and Voyageur Airways, an integrated provider of specialized aviation services. It pays a monthly dividend of \$0.04 per share, or \$0.48 per share annually, which gives its stock a yield of about 7.4% at today's levels.

Investors must also make two notes.

First, Chorus Aviation has raised its annual dividend payment for two consecutive years, and its 6.7% hike in March 2015 has it on pace for 2016 to mark the third consecutive year with an increase.

Second, I think the company's ample cash provided by operating activities, including the \$183.7 million it generated in fiscal 2015, will allow it to announce another small dividend hike when it releases its first-quarter earnings results in a couple of weeks.

2. Enbridge Income Fund Holdings Inc.

Enbridge Income Fund Holdings Inc. (TSX:ENF) owns a diverse portfolio of energy infrastructure assets, including pipelines and power generation facilities, all of which are operated by **Enbridge Inc.**

It pays a monthly dividend of \$0.1555 per share, or \$1.866 per share annually, which gives its stock a yield of about 6.4% at today's levels.

Investors must also make two notes.

First, Enbridge Income Fund has raised its annual dividend payment for five consecutive years, and its recent increases, including its 10% hike in December 2015, have it on pace for 2016 to mark the sixth consecutive year with an increase.

Second, the company has a target dividend-payout ratio of 80% of its cash available for distribution and an annual-dividend-growth target of 10% through 2019, and I think it will announce a new growth target or extend its existing one as 2019 nears.

3. Brookfield Canada Office Properties

Brookfield Canada Office Properties (TSX:BOX.UN)(NYSE:BOXC) is a REIT that owns a portfolio of 26 premier office properties totaling about 20 million square feet in the downtown cores of Toronto, Calgary, and Ottawa. It pays a monthly distribution of \$0.1092 per share, or \$1.31 per share annually, which gives its stock a yield of about 4.7% at today's levels.

Investors must also make two notes.

First, Brookfield has raised its annual distribution for five consecutive years, and its 5.7% hike in January has it on pace for 2016 to mark the sixth consecutive year with an increase.

Second, I think the company's strong operational performance, its high occupancy rates, and the continued development of its Brookfield Place Calgary East property, which is a 56-storey premier office tower that totals about 1.4 million square feet and is on pace to be completed in late 2017, will allow its streak of annual distribution increases to continue for the next several years.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CHR (Chorus Aviation Inc.)

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