



## 3 of the Best Monthly Dividend Stocks Money Can Buy

### Description

If you're interested in monthly dividend stocks, whether you're looking to add one to your existing portfolio or are looking to build a portfolio full of them, then this article was written with you in mind. I've scoured the market and compiled a list of my three favourite monthly dividend stocks, so let's take a closer look at each to determine if you should buy one or more of them today.

#### 1. Corus Entertainment Inc.

**Corus Entertainment Inc.** ([TSX:CJR.B](#)) is one of Canada's leading media and content companies with assets that include 45 specialty television services, 39 radio stations, 15 conventional television stations, and a global content business. It pays a monthly dividend of \$0.095 per share, or \$1.14 per share annually, which gives its stock a yield of approximately 9.8% at today's levels.

Investors should also make two important notes.

First, Corus's 4.6% dividend hike in February 2015 has it on pace for fiscal 2016 to mark the 13th consecutive year in which it has raised its annual dividend payment.

Second, I think the company's ample free cash flow, including the \$58.8 million it generated in its first half of fiscal 2016, and its acquisition of Shaw Media Inc., which closed on April 1 and is expected to immediately have a positive impact on earnings and free cash flow, will allow it to raise its dividend before the end of the year.

#### 2. Exchange Income Corporation

**Exchange Income Corporation** ([TSX:EIF](#)) is a Canadian-based corporation that is focused on investing in profitable, well-established companies with strong cash flows in the aviation and manufacturing industries. It pays a monthly dividend of \$0.16 per share, or \$1.92 per share annually, which gives its stock a yield of approximately 6.4% at today's levels.

Investors should also make two important notes.

First, EIC's 10.3% dividend hike in August 2015 has it on pace for fiscal 2016 to mark the sixth consecutive year in which it has raised its annual dividend payment.

Second, I think the company's very strong growth of free cash flow less maintenance capital expenditures, including its 89.9% year-over-year increase to \$3.02 per share in fiscal 2016, its low payout ratio, including 60% in fiscal 2015 compared with 106% in fiscal 2014, and its growing portfolio of cash flow-generating companies will allow it to announce another dividend hike when it releases its first-quarter earnings results on May 11.

### **3. Enbridge Income Fund Holdings Inc.**

**Enbridge Income Fund Holdings Inc.** (TSX:ENF) owns a diverse portfolio of high-quality, low-risk energy infrastructure assets, including liquids pipelines and storage facilities, wind farms, solar farms, and waste heat recovery facilities. It pays a monthly dividend of \$0.1555 per share, or \$1.866 per share annually, which gives its stock a yield of approximately 6.4% at today's levels.

Investors should also make two important notes.

First, Enbridge's two dividend hikes since the start of 2015, including its 10% hike in December 2015, has it on pace for fiscal 2016 to mark the sixth consecutive year in which it has raised its annual dividend payment.

Second, the company has a target dividend-payout ratio of 80% of its cash available for distribution and an annual dividend-per-common-share growth target of 10% through 2019, making it one of the top dividend-growth plays in its industry.

#### **CATEGORY**

1. Dividend Stocks
2. Investing

#### **POST TAG**

1. Editor's Choice

#### **TICKERS GLOBAL**

1. TSX:CJR.B (Corus Entertainment Inc.)
2. TSX:EIF (Exchange Income Corporation)

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