



Attention Retirees: 2 Monthly Income Stocks Offering Reliable 5% Yields

Description

In the past, reasonable returns could be gained by putting money into GICs or even savings accounts. Those days are long gone, and income investors are now turning to REITs and dividend stocks to help supplement monthly earnings.

Here are the reasons why I think **Shaw Communications Inc.** ([TSX:SJR.B](#))([NYSE:SJR](#)) and **RioCan Real Estate Investment Trust** ([TSX:REI.UN](#)) are attractive picks right now.

Shaw Communications

Shaw recently purchased Wind Mobile and sold off its Shaw Media assets to **Corus Entertainment**.

The stock has taken a beating as a result of the strategy shift, and that is providing investors with a good opportunity to pick up a nice dividend yield as well as a shot at some upside in the share price.

Consumers like to get their TV, Internet, and mobile services in bundled offers from one carrier, and the lack of a mobile offer has hurt Shaw. Moving forward, the addition of the mobile business will enable the company to compete on a level playing field with **Telus** in western Canada, where it has been at a disadvantage in recent years.

The sale of the media division also comes at a critical time.

Canadians now have the option to sign up for a basic TV package and add channels on a pick-and-pay basis. This could be a negative for content owners if they can't find a way to maintain subscription levels. By unloading the media business, Shaw eliminates the content risk from its business and raises substantial cash to fund the build-out of the mobile division.

Shaw pays its dividend monthly and currently offers a yield of 5%. The stock is trading at a discount to its peers, so investors could see some decent price gains once the transition process is complete.

RioCan

RioCan operates more than 300 shopping centres with 46 million square feet of leasable space.

The majority of the company's anchor tenants are well-established brands operating in recession-resistant sectors such as grocery, pharmacy, discount, and household goods.

This means there should be little risk of a mass exodus of renters from RioCan's properties.

In fact, the company renewed one million square feet of retail space during the Q1 2016 at an average rent increase of 6.2%.

On the revenue side, funds from operations in the first quarter rose 7% compared with the same period last year, so things are rolling along quite well.

RioCan is in the process of selling its 49 properties in the United States. The funds will be used to pay down debt and invest in new opportunities, such as the construction of condos at some of the top retail sites.

The company pays a monthly distribution of 11.75 cents per unit that yields 5.1%.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:REI.UN (RioCan Real Estate Investment Trust)
3. TSX:SJR.B (Shaw Communications)

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