

3 Monthly Income Stocks With Reliable Yields of 5-8%

Description

If you're interested in earning monthly dividend income, whether it's to help pay your bills or to help you beat the market, then you've come to the right place. I've scoured the market and selected three small caps with reliable yields of 5-8%, so let's take a quick look at each.

1. Chorus Aviation Inc.

Chorus Aviation Inc. (TSX:CHR.B) is a dividend-paying holding company that owns Jazz Aviation LP, one of Canada's largest regional airlines and a contract carrier for **Air 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 approximately 7.7% at today's levels.

It's also important to make the following two notes.

First, Chorus Aviation's 6.7% dividend hike in March 2015 has it on pace for 2016 to mark the third consecutive year in which it has raised its annual dividend payment.

Second, I think the company's strong growth of cash provided by operating activities, including its 136.5% year-over-year growth to an adjusted \$32.1 million in the first quarter of 2016, and its very low payout ratio, including 45.8% in the first quarter compared with 99.9% in the year-ago period, will allow it to announce a dividend hike when it reports its second-quarter earnings results in August.

2. Alaris Royalty Corp.

Alaris Royalty Corp. (TSX:AD) is one of North America's leading providers of alternative financing solutions to private businesses.

It pays a monthly dividend of \$0.135 per share, or \$1.62 per share annually, which gives its stock a yield of approximately 5.6% at today's levels.

It's also important to make the following two notes.

First, Alaris's two dividend hikes since the start of 2015, including its 4% hike in June 2015 and its 3.8% hike in July 2015, have it on pace for 2016 to mark the sixth consecutive year in which it has raised its annual dividend payment.

Second, I think the company's strong growth of net cash from operating activities, including its 8.3% year-over-year increase to \$0.39 per share in the first quarter of 2016, and its modest annualized payout ratio, including a projected 77% at the end of the first quarter, will allow it to announce another dividend hike of about 4% before the end of the year.

3. Ag Growth International Inc.

Ag Growth International Inc. ([TSX:AFN](#)) is one of the world's largest manufacturers of portable and stationary grain handling, storage, and conditioning equipment, including augers, storage bins, and aeration equipment.

It pays a monthly dividend of \$0.20 per share, or \$2.40 per share annually, which gives its stock a yield of approximately 6.15% at today's levels.

It's also important to make the following two notes.

First, AGI has maintained its current annual dividend rate since 2011.

Second, I think the company's ample amount of funds from operations, including \$10.3 million in the first quarter of 2016, and its sound payout ratio, including 85.6% in the first quarter, will allow it to continue to maintain its current annual dividend rate going forward.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:AD.UN (Alaris Equity Partners Income Trust)
2. TSX:AFN (Ag Growth International)
3. TSX:CHR (Chorus Aviation Inc.)

Category

1. Dividend Stocks
2. Investing

Date

2025/08/18

Date Created

2016/05/19

Author

jsolitro

default watermark