3 Monthly Dividend Stocks With Yields up to 6.3% to Buy Now

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 stocks with high and safe yields of 5-7%, so let's take a quick look at each.

1. Enbridge Income Fund Holdings Inc.

Enbridge Income Fund Holdings Inc. (TSX:ENF) owns a portfolio of high-quality, low-risk energy infrastructure assets, including pipelines, oil storage facilities, renewable power generation facilities, and natural gas transmission lines.

It pays a monthly dividend of $0.1555 per share, or $1.866 per share annually, which gives its stock a yield of about 6.1% at today's levels.

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

First, Enbridge's two dividend hikes since the start of 2015, including its 10% hike in December, have it on pace for 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 (CAFD), and it has a dividend-per-common-share growth target of 10% annually through 2019, so I think its strong CAFD growth will allow it to reach this target and extend it beyond 2019.

2. RioCan Real Estate Investment Trust

RioCan Real Estate Investment Trust (TSX:REI.UN) is the largest real estate investment trust (REIT) in Canada with a total enterprise value of approximately $16 billion and a portfolio of 303 retail and mixed-use properties that total about 46 million share feet.

It pays a monthly distribution of $0.1175 per share, or $1.41 per share annually, which gives its stock a yield of about 5% at today's levels.

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

First, RioCan has maintained its current annual distribution rate since 2013.

Second, I think the company's increased amount of adjusted funds from operations (AFFO), including its 5.1% year-over-year increase to $0.41 per share in the first quarter of 2016, its reduced payout ratio, including 86% of its AFFO in the first quarter compared with 90.4% in the year-ago period, and its very high 94.8% occupancy rate at the end of the first quarter will allow it to announce a distribution hike when it reports its second-quarter earnings results in late July or early August.

3. Medical Facilities Corp.

Medical Facilities Corp. (TSX:DR) owns a controlling interest in four specialty surgical hospitals and an ambulatory surgery centre in the United States.

It pays a monthly dividend of $0.09375 per share, or $1.125 per share annually, which gives its stock a yield of about 6.3% at today's levels.

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

First, Medical Facilities has maintained its current annual dividend rate since 2013.

Second, I think the company's strong growth of CAFD, including its 7.3% year-over-year increase to $0.384 per share in the first quarter of 2016, and its reduced payout ratio, including 73.2% of its CAFD in the first quarter compared with 78.5% in the year ago period, will allow it to raise its dividend before the end of the year.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:DR (Medical Facilities Corporation)
2. TSX:REI.UN (RioCan Real Estate Investment Trust)

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