



Monthly Income: 2 High-Yield Dividend Stocks Selling Cheap

Description

Generally speaking, it does not matter when a company pays dividend. But I have met many retirees who have a clear preference for companies that pay [dividends on monthly basis](#).

The number one reason they cite for their liking for monthly dividend stocks is that they have monthly bills to pay. It is much easier to sync their cash flows if they are receiving dividend cheques each month.

After some research, I have come up with two energy stocks that pay stable monthly income, and their dividends have also grown over time. Let us find out if these names fit with your investing style.

Inter Pipeline

Inter Pipeline Ltd. (TSX:IPL) is a Calgary-based energy infrastructure company running a large oil pipeline network, transporting energy products from Canada's western province, processing natural gas, and managing bulk storage facilities in Europe.

IPL generates most of its revenue and cash flows from long-term, fee-based contracts. This certainty in its revenues reduces the company's exposure to volatile energy prices, making the stock a stable provider of monthly income.

In its third-quarter earnings report, IPL reported a record \$269 million funds from operations (FFO), or \$0.72 a share, a 27% jump over the same period last year. Net income also rose to a record \$143 million for the period, up 17% when compared to the same period a year ago.

Shares currently pay a juicy 6.4% yield with a demonstrated history of dividend growth behind it. The company has increased the payout by 7% annually since 2008.

Trading at \$26.22 a share, IPL's annual dividend yield translates into a \$0.14-a-share monthly payout. Its shares have been under pressure this year amid weakness in the energy markets, but this should be a good entry point for monthly income seekers.

Altagas

I am a big fan of Canadian utilities, which have provided investors stable dividends for so long.

Altagas Ltd. ([TSX:ALA](#)) is one of these utilities. With a hefty dividend yield of 7.5%, this stock is a great choice today after its 14% pullback this year.

Investors have avoided Altagas stock on concerns that the utility could find it tough to finance its \$8.4 billion acquisition of the U.S.-based **WGL Holdings**.

But that uncertainty is clearing after the company laid out its [funding plan](#) for the acquisition. It also surprised analysts by posting better-than-expected third-quarter earnings and increasing its dividends.

With this high yield, investors can earn a \$2.19-a-share yearly dividend, which is forecast to grow 8-10% per annum through 2021 on the successful closing of WGL deal.

Currently, Altagas shares offer an attractive yield, because some investors are not sure how the company's acquisition will go ahead. But I don't see this deal collapsing. I think it is the opportune time to take a position to earn good monthly dividend income from this stock.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:ALA (AltaGas Ltd.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Tags

1. Editor's Choice

Date

2025/07/06

Date Created

2017/11/21

Author

hanwar

default watermark

default watermark