3 Stocks Yielding Up to 9.5% That Pay You Monthly

### Description

The **S&P/TSX Composite Index** plunged 162 points on May 23, the worst trading day of the year for the TSX, which has suffered from multiple triple-digit declines in a turbulent month of May. U.S. indexes also finished the day in the red as fears of blowback from the US-China trade war have rattled global markets.



In the face of such volatility now is as good a time as any for investors to consider reorienting their portfolios to income-generating equities. Today we are going to look at three stocks that provide monthly dividends.

## Vermillion Energy (TSX:VET)(NYSE:VET)

Vermillion Energy is a Calgary-based oil and gas producer, whose shares dropped 3.64% in a brutal day for energy stocks on May 23. The stock has plunged 21.2% over the past month. However, the stock is still in the positive for the year so far. Global trade concerns have oil prices reeling, which has hurt energy stocks, but this could provide a great opportunity to add some of these equities at a discount.

In the first quarter, Vermillion posted a 2% year-over-year increase in production to 103,404 barrels of oil equivalent per day. Funds flow from operations (FFO) climbed 14% to $254 million largely due to higher production and improved oil and gas prices. The company saw the biggest bump in production in Australia, due to the contribution of the 2.0 net well program completed in January 2019.

On May 15, Vermillion announced a monthly distribution of $0.23 per share, representing a monster 9.5% yield. Shares are now trading close to 52-week lows, and the stock hit an RSI of 25, putting it in technically oversold territory. Income investors should target this discounted dividend beast.

## Altagas (TSX:ALA)

Altagas is a Calgary-based company that operates a diversified basket of energy infrastructure businesses. Unsurprisingly, shares dipped 2.01% on May 23 as the energy sector was throttled. The stock has still climbed 37% in 2019 so far.

Altagas reported a strong first-quarter 2019 as net income soared to $809 million, or $2.93 per share compared to $49 million or $0.28 per share in the prior year. It reiterated its business outlook for the full year, forecasting normalized EBITDA in the range of $1.2 billion to $1.3 billion. Normalized EBITDA hit $466 million in Q1 2019 compared to $223 million in Q1 2018.

In April, Altagas announced a monthly dividend of $0.08 per share, representing a 5% yield. This is a big downgrade from its previously high yield, but shareholders will not be complaining after the growth it has posted in 2019 so far.

## Cineplex (TSX:CGX)

Cineplex operates an extensive chain of movie theatres across Canada. Shares have dropped 2% in 2019 as of close on May 23. The stock is down 15.5% from the prior year. Cineplex took another hit after the release of its first-quarter 2019 results, but patient investors may be rewarded if they choose to dip in this month.

As expected, a historically weak January and February led to a significant drop in revenue and attendance. Total revenues fell 6.6% year over year and theatre attendance plunged 15.6%. However, cinemas will benefit from the monster second-quarter performance of *Avengers: Endgame*, which was released in late April. As of the morning of May 24, the film has raked in nearly $780 million in the domestic box office. This is second only to the domestic performance *Star Wars: The Force Awakens*.



Cineplex still bumped up its monthly dividend to $0.15 per share in its first-quarter report, representing a tasty 7.2% yield. Shares are currently trading at the low end of its 52-week range. Cineplex looks like a cheap add as it is well-positioned to post improved earnings as the year goes on.

**CATEGORY**

1. Dividend Stocks
2. Energy Stocks
3. Investing

**TICKERS GLOBAL**

1. NYSE:VET (Vermilion Energy)
2. TSX:ALA (AltaGas Ltd.)
3. TSX:CGX (Cineplex Inc.)
4. TSX:VET (Vermilion Energy Inc.)

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**Date**
2025/08/19
**Date Created**
2019/05/24
**Author**
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