



3 Stocks to Buy With Monthly Dividends

Description

Dividend-paying stocks represent some of the most satisfying investments on the market. In addition to the obvious income-generating capabilities that they offer, dividend stocks can also put your portfolio growth into high gear through reinvested dividends.

One of the most highly coveted types of dividend-paying stocks are those that provide a monthly distribution, which is common for REIT investments, but not so much in other sectors.

The investments below are monthly dividend candidates that also happen to be uniquely diversified across different segments of the economy.

Not your typical telecom

Despite not being part of the Big Three telecoms, **Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)) still manages to hold significant upside for long-term investors. Until recently, Shaw has lacked a wireless offering to position itself against the Big Three. With the advent of Shaw's appropriately named Freedom Mobile, the mobile landscape is changing.

In short, consumers are consuming more data with each passing year and increasingly looking for ways to save money. Canada already has some of the highest wireless costs in the Western world, and consumers want to vent that frustration out on their carrier. This is the sweet spot where [Freedom Mobile](#) comes into view.

So far, Freedom has scooped up over 1.5 million subscribers, despite still lacking a network that can boast national service. Shaw is rapidly building that network, which means dividend growth could be slow.

Fortunately, Shaw's attractive monthly distribution that boasts a yield of 4.59% that should keep investors more than content while Freedom expands to more areas.

Let it flow

In addition to offering an insane monthly dividend with a yield of 7.73%, **Inter Pipeline** (TSX:IPL) comes with the promise of both a secure revenue stream and an incredible opportunity for long-term growth.

Inter Pipeline's oil sands and conventional pipelines provide a secure and recurring stream of revenue, while the company's bulk storage business provides another stream of revenue to consider.

Turning to growth, let's take a moment to mention the Heartland Petrochemical Complex. The \$3.5 billion complex that Inter Pipeline is constructing will take locally sourced propane and convert it into a type of plastic used in a variety of manufacturing processes. The facility will be the first of its kind in Canada, and Inter Pipeline notes that the facility should add an additional \$450 million in annual EBITDA to the bottom line once construction is completed within the next two years.

Even more appealing is the fact that the monthly distribution that I mentioned earlier has received consecutive annual hikes stemming back a decade, and the payout ratio of that insane yield came in at a manageable 73%.

Why invest in one business when you could opt for 12?

Diversification is a key strategy that should be on the radar of nearly every investor. **Exchange Income** (TSX:EIF). Exchange has a growing portfolio of over a dozen different businesses that operate across two broad sectors: aviation and manufacturing.

Incredibly, Exchange's diversified mix of businesses boasts several advantages that should be on the radar of every investor. In short, the businesses operate in markets across the country, where there is limited competition and also cater to a unique business need. Examples of this include regional airlines that offer passenger and cargo services across northern Manitoba and Ontario from the aviation segment and cell-tower construction services from the manufacturing segment.

In terms of a dividend, the monthly distribution provides an appetizing 6.05% yield, which has seen annual hikes stemming back over a decade, the most recent of which was announced in the most recent quarter.

Final thoughts

The three investments outlined above all [boast long-term growth](#) while offering monthly dividends. In other words, these investments can appeal to established investors looking for an income stream as well as less-experienced investors looking to establish their portfolios for long-term gains.

Buy them and hold them.

CATEGORY

1. Dividend Stocks

2. Investing

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:EIF (Exchange Income Corporation)
3. TSX:SJR.B (Shaw Communications)

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