



4 Dividend Stocks That Can Provide Year-Round Income

Description

Finding the right mix of dividend stocks can be confusing at times, particularly when trying to balance out distribution schedules that will keep a steady stream of income.

Fortunately, the four stocks below can provide a good mix of income and growth opportunities to keep every investor happy and a steady stream of income flowing.

This retailer provides a handsome income

Canadian Tire ([TSX:CTC.A](#)) is a name that should be familiar to all Canadians, especially during the holiday season. Today, Canadian Tire consists of much more than its namesake store, with a growing number of well-known brands all contributing to the company's bottom line.

Acquisitions made in the past two years to bolster Canadian Tire's store-branded products and expand into other areas, such as international shipping, will only strengthen what is already an impressive retail investment by creating a moat around its brick-and-mortar stores.

In terms of a dividend, Canadian Tire pays out a quarterly \$1.0375 per share, which translates into a solid 3.17% yield. To put it another way, parking \$45,000 in Canadian Tire stock will provide a quarterly payment of \$325 in dividends every January, April, July, and October.

Try a different bank

Canada's big banks are always great investments, but lately, the banks outside the Big Five are attracting attention. In this case, it's **National Bank of Canada** that is worthy of consideration. In fact, in 2019, National outperformed its big bank peers, realizing gains of over 30% this year. In the most recent quarter, National reported earnings of \$604 million, registering a solid 7% gain year over year.

In terms of a dividend, National offers an appetizing 3.93% yield, which reflects a recent 4% uptick. Investing \$30,000 in National Bank at current rates will generate income of just over \$280 every March,

June, September, and December.

Bonus: These two stocks pay monthly dividends

TransAlta Renewables ([TSX:RNW](#)) and **Exchange Income** ([TSX:EIF](#)) round out the five companies on this list with their lucrative monthly dividends.

Renewable energy is a rapidly growing business, and TransAlta Renewables is well suited to capitalize on that opportunity. The company has a portfolio of over 30 different renewable facilities that follow the same lucrative model that utilities have long enjoyed.

A monthly payout of \$0.94 per share translates into an attractive 6.30% yield, meaning that a \$30,000 investment would provide just over \$150 in income each month.

Speaking of [income](#), let's take a moment to mention Exchange Income. The company owns over a dozen subsidiary companies that are broadly classified into aviation and manufacturing segments. The subsidiaries operate in niche markets where competition is low, necessity is high, and cash flow is always positive.

Throw in a monthly dividend that pays out a juicy 5.19% yield, and you have a compelling investment that is rife with growth, defensively positioned, and hard to ignore. A \$30,000 investment in Exchange will provide a healthy dividend stream of just over \$125 per month.

Final thoughts

Putting the above together into a monthly cash flow, a total investment of \$135,000 will provide just shy of \$500 every month, while keeping your initial principal intact and not factoring any growth, which could, in some cases, [be significant](#).

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2. TSX:EIF (Exchange Income Corporation)
3. TSX:RNW (TransAlta Renewables)

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