3 Monthly Income Stocks With Juicy Dividends

Description

For some investors, finding the right mix of income-producing stocks can be a daunting task. Not only do investors need to select the right investments, but they also need to factor in often widely-differing dividend payout schedules. This is where the lesser-known yet lucrative array of monthly dividend stocks comes into play.

I won't dwell into the quarterly vs monthly distribution argument apart from noting that a monthly distribution does make it easier to budget and ensure a consistent flow of income. It's an intriguing option for investors to consider.

Here are three monthly dividend options to consider.

The sky's the limit

Exchange Income Corp (TSX:EIF) is a stock that is often overlooked in lieu of other more popular picks. Unfortunately, this means that investors are missing out on a handsome 5.20% yield.

Apart from that appetizing yield, Exchange offers a well-diversified business consisting of over one dozen subsidiary companies that fall under two broad categories- aviation and manufacturing.

Prime examples of those businesses include regional cargo and passenger airlines between rural areas of Ontario and Manitoba from the aviation segment, and cell phone construction and installation services from the manufacturing segment.

Those subsidiary businesses continue to generate strong cash flow with each passing quarter and operate in unique niche segments of the market where competition is low and demand is stable. In short, Inter Pipeline is a solid option for any portfolio with immense long-term growth prospects.

Go with the flow

Inter Pipeline (TSX:IPL) is another interesting yet often overlooked pick. Inter Pipeline is an energy infrastructure company that has both a pipeline and storage business, as well as operating a lucrative NGL business that is among the largest in Canada.

Apart from the stable and recurring revenue that comes from the pipeline and storage business, Inter Pipeline's upcoming Heartland Petrochemical Complex is what investors should be really excited about.

Once the facility is completed next year, it will covert locally sourced inexpensive propane into a type of plastic used in a variety of manufacturing processes. Inter Pipeline expects the Heartland complex to add upwards of $400 million in annual EBITDA to the company's bottom line.

In terms of a dividend, Inter Pipeline offers an appetizing 7.70% yield.

Save the planet and get rich

Renewable energy companies represent some of the most in-demand investments at the moment, and Calgary-based **TransAlta Renewables** (TSX:RNW) should be on the radar of nearly every investor.

TransAlta boasts a portfolio of over 40 facilities such as solar, wind, hydro and gas elements scattered across 10 operating regions.

In terms of growth, earlier this month, TransAlta announced two new wind farm projects that came online in the U.S., highlighting the immense long-term potential to be found in renewable energy projects.

In terms of a dividend, the monthly payout is not only well covered through a steady stream of revenue, but also earns a mouth-watering 5.96% yield.

A net income of $224 million over the trailing 12-month period highlights that potential, as does the fact that TransAlta, which finished 2019 with gains well into double-digit territory, continues to seek out new opportunities for growth.

Final thoughts

The three stocks noted above not only come from different segments of the market, but are all defensively placed for long-term gains. Adding one or all of these stocks to your portfolio will not only earn a handsome income stream, but will also provide an avenue for long-term growth.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Date
2025/08/24
Date Created
2020/01/19
Author
dafxentiou

Footer Tagline