



Retirees: 3 Stocks That Provide Huge Monthly Income

Description

The April market rally has injected some excitement back into the investing world, but that does not mean Foolish readers should rest easy. Recent data has shown the devastating impacts of the COVID-19 lockdowns, and there are few sectors that are safe from the carnage. This is a particularly troubling time for retirees or those just nearing retirement. That is why it may be a good time to snag stocks that provide monthly income.

Why monthly dividends are great for retirees

Back in early 2019, I'd discussed why I loved [monthly dividend stocks](#) in a Tax-Free Savings Account (TFSA). This is a vehicle that retirees and those nearing retirement should seriously consider in this environment. A \$40,000 investment spread across the stocks I will cover today could net a retiree roughly \$200 per month in dividends — better yet if those payouts come in a TFSA. Let's jump into the stocks.

Bird Construction ([TSX:BDT](#)) operates as a general contractor across Canada. Construction projects have been labelled an essential service across the country, although some projects that have been pushed back from their start date. Shares of Bird have climbed 14% month over month as of close on April 30.

The company is set to release its first-quarter 2020 results on the morning of May 13. In 2019, Bird reported construction revenue of \$1.37 billion compared to \$1.38 billion in the prior year. However, it posted net income of \$9.48 million compared to a net loss of \$1.01 million in 2018. Adjusted EBITDA also increased to \$32.2 million over \$10.9 million in the prior year.

Shares of Bird last had a fair price-to-earnings (P/E) ratio of 23 and a price-to-book (P/B) value of 1.7. The stock offers a monthly dividend of \$0.0325 per share. This represents a tasty 7.5% yield.

Two top green energy stocks with nice dividends

Utilities are an obvious essential service and therefore a suitable target in this crisis. Below are two of my favourite targets for retirees right now.

TransAlta Renewables develops, owns, and operates renewable power generation facilities. Last year, I'd discussed why young and old investors should look to invest in [green energy equities](#). Shares of TransAlta have climbed 15% year over year as of close on April 30.

Investors can expect to see TransAlta's first-quarter 2020 results on May 12. In 2019, the company saw comparable EBITDA increase 2% to \$438 million. The stock last had a solid P/E ratio of 22 and a P/B value of 1.7. TransAlta stock last paid out a monthly distribution of \$0.07833 per share. This represents a strong 6.2% yield.

Northland Power is another utility I have my eyes on to start the month of May. This company develops, builds, owns, and operates clean and green power projects in Canada and Europe. Its shares have increased 30% year over year.

The company will release its Q1 2020 results on the morning of May 13. Shares are trading close to its 52-week high, but it still possesses a favourable P/E ratio of 17. Northland Power last paid out a monthly dividend of \$0.1 per share. This represents a solid 4% yield.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

1. TSX:BDT (Bird Construction Inc.)

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