



3 Top Stocks to Boost Your Monthly Income

Description

If you've got some idle cash, it's time to put it to work to boost your monthly income. Investors should note that a few TSX stocks continue to pay their monthly dividends uninterrupted, despite the disruption from the pandemic. Let's focus on three such top stocks that should help produce an additional income source.

AltaGas

With a monthly payout of \$0.08 per share and an annual yield of 5.7%, **AltaGas** ([TSX:ALA](#)) is among the top stocks offering reliable income. The company generates most of its revenues and cash flows from the regulated utility assets, implying that its payouts are safe.

While its utility assets generate predictable cash flows and support its dividend payouts, AltaGas's midstream operations got a significant boost from the Ridley Island Propane Export Terminal (RIPET). Despite the challenges from the pandemic, its midstream operations continue to deliver strong growth, thanks to the increased volumes and higher utilization rate.

Further, the company foresees an annual increase of about 8-10% in its rate base, which should drive its utility business and support its monthly dividends. Meanwhile, the full-year contribution from RIPET is expected to drive strong growth at its midstream operations. Moreover, its midstream operations are supported by long-term take-or-pay and fee-for-service arrangements, which reduce risk and add stability.

Shaw Communications

Like AltaGas, **Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)) is another top TSX stock that consistently pays monthly dividends. Thanks to its resilient business and continued strength in its wireless business, the telecom company generates robust cash flows supporting its payouts.

Despite the disruption at its retail outlets due to the pandemic and increased competitive activity, Shaw Communications added nearly 60,000 wireless customers during the [most recent quarter](#), which is encouraging. The average billing per subscriber unit (ABPU) and average revenue per

subscriber unit (ARPU) increased by 6.6% and 4.2%, respectively. Also, Shaw Communications's free cash flows surged more than three times on a year-over-year basis.

The company has been steadily paying dividends over the past several years, despite strong capital investment. Moreover, its retail expansion and smart pricing and packaging suggest that it could continue to add wireless subscribers at a healthy pace in the coming years, which should support its payouts.

Currently, Shaw Communications pays a monthly dividend of \$0.10 per share, reflecting an annual dividend yield of 5.4%.

Pembina Pipeline

Beaten-down energy infrastructure company **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) remains a top monthly income stock. The weak energy demand amid the continued spread of the virus took a toll on its financials. However, its monthly payouts are safe, thanks to the strong fee-based distributable cash flows.

Pembina's fee-based cash flows don't have direct commodity exposure, implying that its dividends are safe. Meanwhile, the fee-based contracted assets are likely to account for most of its adjusted EBITDA in 2020, which is an encouraging sign. Also, the company's low dividend-payout ratio is sustainable in the long run.

While the company has diversified its exposure to multiple commodities, the recovery in Pembina Pipeline stock could come on the back of an increase in economic activities and improving oil demand.

Pembina Pipeline pays \$0.21 per share monthly and offers a high dividend yield of over 9%.

CATEGORY

1. Coronavirus
2. Dividend Stocks
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4. Investing

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. NYSE:SJR (Shaw Communications Inc.)
3. TSX:ALA (AltaGas Ltd.)
4. TSX:PPL (Pembina Pipeline Corporation)
5. TSX:SJR.B (Shaw Communications)

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Date

2025/08/24

Date Created

2020/11/02

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