RRSP Investors: 3 Monthly Dividend Stocks to BUY NOW

Description

In the fall of 2019, I'd warned Canadians to look out for one major retirement mistake as we moved into a new decade. That mistake was assuming that you can work forever. Little did I know how true that recommendation would ring in 2020. Millions of Canadians have been forced out of work, or have seen their hours greatly diminished, due to the COVID-19 pandemic. This has changed the game for many RRSP investors.

Some Canadians have elected to accelerate their retirement plans due to this crisis. Elderly Canadians are also at greater risk, so it stands to reason that a return to work carries additional concerns. Others have been forced to push back their retirement due to job loss or a reduction in wages. Today, I want to look at three dividend stocks that provide monthly income for RRSP investors. Moreover, these stocks are also trustworthy in this shaky economic environment.

RRSP investors should gobble up this dividend stock in healthcare

Extendicare (TSX:EXE) is a Markham-based company that provide care and services across Canada. This dividend stock is perfect for RRSP investors who want exposure to the lucrative healthcare space. Its shares have dropped 38% year over year. Now is the time to jump on its solid value as it offers a price-to-earnings ratio of 23.

In Q2 2020, the company saw revenue increase 4.7% year over year to $282 million. This was powered by COVID-19 funding, long-term-care (LTC) funding enhancements, and growth in retirement living and operations. More than 80% of COVID-19 deaths in Canada have occurred in LTC facilities. The public and private sector have vowed to bolster services in the wake of this tragedy.

This stock last paid out a monthly dividend of $0.04 per share. That represents a monster 9.4% yield for RRSP investors.

Don't sleep on this promising construction firm

Bird Construction ([TSX:BDT](#)) is an Ontario-based company that operates as a general contractor. Its shares have dropped 7% in 2020. However, the stock is up 7.7% in the year over year period. RRSP investors should pay close attention to this exciting company that has a strong dividend history and has delivered impressive earnings growth.

In the second quarter of 2020, the company delivered net income of $5.6 million compared to $1 million in the prior year. Gross profit increased year over year due to growth in the industrial work program. Developed nations have flirted with a second round of lockdowns. The United Kingdom has pressed forward with its second lockdown, but constructions sites have been allowed to remain open. RRSP investors can trust this sector in this environment.

Shares of Bird last possessed a favourable P/E ratio of 12 and a price-to-book value of 2.6. It last paid out a monthly dividend of $0.033 per share, which represents a tasty 6.1% yield.

One more monthly dividend stock for RRSP investors

Northland Power ([TSX:NPI](#)) is the final stock I want to look at for RRSP investors today. The company is an independent power producer that develops, builds, owns, and operates clean and green power projects in Canada and Europe. Shares of Northland Power have climbed 63% in 2020.

The company released its second-quarter 2020 results on August 12. Its sales have increased 25% year over year to $429 million and gross profit has jumped 20% to $386 million. Northland Power also delivered adjusted EBITDA growth of 17% to $227 million.

RRSP investors can count on a monthly dividend of $0.10 per share from Northland Power. This represents a 2.7% yield.

CATEGORY

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2. Dividend Stocks
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1. Editor's Choice

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3. TSX:NPI (Northland Power Inc.)

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