



3 Monthly Income Stocks for 2021

Description

Picking the right stocks for your portfolio takes both time and patience. Balancing out both growth and income-producing stocks can be a chore too. Fortunately, the market gives us plenty of candidates to choose from. Today, the focus is on monthly income stocks for your 2021 portfolio.

Renewable energy is going to be big in 2021

One of the segments that will [grow in importance](#) over the next few years is renewable energy. That's part of the reason why adding **TransAlta Renewables** ([TSX:RNW](#)) to augment your monthly income makes perfect sense.

TransAlta owns and operates an impressive array of wind, solar, hydro, and gas facilities located across Canada, the U.S., and Australia. Collectively, TransAlta's 44 facilities boast a capacity of 2,537 MW.

TransAlta's business model closely follows that of its fossil fuel-burning peers. In short, regulated contracts that span decades provide a steady and recurring stream of revenue to the company.

That recurring revenue stream helps fund TransAlta's juicy dividend, which currently works out to 4.27%. To put that into perspective, a \$25,000 investment into TransAlta would provide a monthly income just shy of \$90 every month.

Telecom stocks make great monthly income stocks

Telecoms are great defensive stocks that can provide a recurring income for decades. Among Canada's telecom stocks, **Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)) stands out as [a great investment](#) with a monthly distribution.

Shaw is a pure-play telecom, meaning that unlike some of its larger peers, it lacks a media segment. Instead, Shaw is focused on expanding its growing wireless network, both in terms of coverage as well

as subscribers.

That decision could prove to be huge, as mobile device connections have shifted from being an optional expense to a necessity of our modern life. Just take a moment and think about how many times a day you look at your smartphone, launch apps, send mail, and, most importantly, use data.

Turning to dividends, Shaw offers an appetizing 5.29% yield on its monthly distribution. For a \$25,000 investment, this works out to \$110 per month in income.

How about a solid, diversified business?

Exchange Income ([TSX:EIF](#)) is another interesting investment option. Exchange owns over a dozen subsidiary companies that are situated in the aviation and manufacturing segments of the economy.

Irrespective of the segment, those businesses all share a few key points. They operate in niche markets where there is demand but not a lot of competition. They also tend to be geographically diverse, adding to the lack of competition point. Finally and perhaps most importantly, they all generate cash for the company.

Some examples of Exchange's subsidiary businesses include cell tower construction and sheet metal fabrication on the manufacturing side. On the aviation side of the business, some examples include providing regional cargo and passenger service between Nunavut and Manitoba, as well as providing surveillance and medevac services to remote regions.

In terms of a dividend, Exchange offers a juicy 6.26% yield. A \$25,000 investment in Exchange Income will provide a monthly income of \$130.

Final thoughts

The three monthly income stocks mentioned above are great investments on their own, but like all investments, they still carry risk. It is together that risk is minimized and that \$330 in monthly income can be achieved.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:EIF (Exchange Income Corporation)
3. TSX:RNW (TransAlta Renewables)
4. TSX:SJR.B (Shaw Communications)

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