



## Retirees: 3 Monthly-Paying Dividend Stocks for Worry-Free Passive Income

### Description

Although Canadian retirees are entitled to Old Age Security (OAS) and the Canada Pension Plan (CPP), it is essential to supplement themselves with a secondary or passive income to maintain their current lifestyles. Investing in dividend stocks would be a cheaper and convenient way to earn passive income. Given retirees' low-risk appetite, here are the three safe, monthly-paying dividend stocks with high dividend yields.

### Shaw Communications

Last year, the pandemic-infused travel restrictions severely impacted telecommunication companies by lowering their revenue from roaming fees. Meanwhile, the multiple rollouts of vaccines could prompt governments to ease travel restrictions, improving telecommunications companies' average revenue per user. Amid the optimism, I believe **Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)), which had lost over 15% of its stock value last year, would be an excellent buy.

Despite the pandemic's impact, Shaw Communications added 60,000 new wireless customers in its recently reported fourth-quarter results. On July 30, the company had launched Shaw Mobile, which resonated well with the customers. The company [generated strong cash flows of \\$747 million](#) in fiscal 2020 and expects to generate \$800 million in fiscal 2021. Further, with \$2.3 billion of liquidity at the end of fiscal 2020, its financial position also looks healthy.

Given its strong cash flows and healthy liquidity position, I believe Shaw Communications's dividends are safe. Currently, it pays monthly dividends of \$0.099 per share, with an annualized rate of \$1.19 per share and a dividend yield of 5.2%.

### Pembina Pipeline

Amid the energy sector weakness, **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) had lost 37.5% of its stock value last year. However, it has made a bright start to this year, with its stock price rising over 11%. The increase in crude oil prices has led to a rise in the company's stock price. The company runs

a highly contracted business, with 95% of its adjusted EBITDA generated from fee-based contracts, thus delivering stable and predictable cash flows.

Pembina Pipeline's management expects its adjusted EBITDA in 2021 to be in the range of \$3.2 billion to \$3.4 billion. Its financial position also looks healthy, with its liquidity standing at \$2.54 billion.

Supported by its highly contracted business and stable cash flows, the company has maintained and increased its dividends since 1998. It currently pays monthly dividends of \$0.21 per share, with its dividend yield standing at 7.5%. The company's valuation also looks attractive, with its forward EV-to-EBITDA and forward price-to-earnings standing at 9.9 and 15.2, respectively. So, given its attractive valuation, high dividend yield, and stable cash flows, [Pembina Pipeline would be a good buy for income-seeking investors](#).

## NorthWest Healthcare Properties REIT

Amid the growing aging population and middle-class growth in the emerging markets, global healthcare spending is growing at 4-7% annually. So, I have chosen **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)), which owns and operates healthcare real estate properties across seven countries, as my third pick. The company has high occupancy and collection rate, thanks to its defensive portfolio of assets.

Its occupancy rate in its recently announced quarter stood at 97.2%, with 80% of its revenue supported by public healthcare funding. The company's weighted average lease expiry stands at 14.5 years, which is encouraging. Further, the company collected or formally deferred 97.6% of its revenue in the third quarter. Meanwhile, it improved to 98.1% in October.

NorthWest Healthcare currently pays monthly dividends of \$0.067 per share at an annualized payout rate of \$0.80 per share and a dividend yield of 6.4%. Last year, the company had acquired two hospitals in the U.K. for \$620 million. The cash flows from these acquisitions could help the company in raising its dividends in the coming years.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. NYSE:SJR (Shaw Communications Inc.)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
4. TSX:PPL (Pembina Pipeline Corporation)
5. TSX:SJR.B (Shaw Communications)

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