



5 Monthly Income Dividend Stocks to Buy Now for 2021

Description

Investors eyeing monthly income through dividends could consider buying these top five **TSX** stocks that offer monthly payouts. Notably, these companies have resilient cash flows and offer high yields amid a lower interest rate environment.

NorthWest Healthcare Properties

NorthWest Healthcare ([TSX:NWH.UN](#)) owns a high-quality healthcare real estate portfolio that generates resilient cash flows and remains relatively immune to the economic cycles. NorthWest's occupancy rate remains high, with an average lease expiry term of about 15 years.

The company's about 80% of the tenants are backed by government funding, while nearly 73% of its rents are inflation-indexed. Meanwhile, its strong balance sheet and opportunistic acquisitions accelerate its growth further. NorthWest Healthcare currently offers a high yield of 6.1%.

Pembina Pipeline

Pembina Pipeline's ([TSX:PPL](#))([NYSE:PBA](#)) diversified business, exposure to multiple commodities, creditworthy counterparties, and contractual arrangements drive its fee-based cash flows that support its monthly dividend payments.

Since 1998, Pembina has maintained and increased its dividends, thanks to its high-quality earnings base led by contracted assets. The recovery in demand, new assets, and cost reduction measures are likely to cushion its bottom line in 2021 and drive higher dividend payments. Notably, Pembina stock is also looking [attractive on the valuation](#) front as it is trading well below its peer group average.

The pipeline company has raised its dividends at a CAGR (compound annual growth rate) of 6.5% over the last five years and offers a stellar yield of 7.4%.

Northland Power

Northland Power ([TSX:NPI](#)), with its regulated and contracted utility assets, is another top bet for income investors. The power producer has consistently paid [dividends](#) since 1998, thanks to its growing asset base that generates predictable cash flows.

Northland Power's diversified and growing assets, focus on geographic expansion and accretive acquisitions positions it well to deliver solid cash flows and drive its dividend payments. Northland Power currently offers a dividend yield of 2.7%.

AltaGas

AltaGas's ([TSX:ALA](#)) monthly dividends are backed by its regulated utility assets that generate predictable cash flows. Meanwhile, strong growth in its midstream operations further supports its growth.

AltaGas projects its core utility business to continue to benefit from rate base growth. Meanwhile, the momentum in its midstream operations is likely to sustain and benefit from higher exports. The company projects double-digit growth in its EBITDA and EPS in 2021 and drive its dividend payments. Currently, AltaGas offers a dividend yield of 5.2%.

TransAlta Renewables

TransAlta Renewables ([TSX:RNW](#)) operates a low-risk utility business that generates predictable and growing cash flows. The company's diversified assets are backed by long-term contracts, which have a weighted average life of 12 years. Meanwhile, all of its power generations are contracted, implying that its future payouts are safe.

The renewable energy company has increased its annualized dividends at a CAGR of 4% since 2013. Meanwhile, its long-term contracts suggest that TransAlta Renewables could continue to increase its dividends further in the coming years.

Bottom line

These **TSX**-listed companies have consistently paid dividends over the past several years and have resilient cash flows. If you have some idle cash, consider buying these top TSX dividend stocks in 2021 to generate a steady monthly passive income.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:ALA (AltaGas Ltd.)
3. TSX:NPI (Northland Power Inc.)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:PPL (Pembina Pipeline Corporation)
6. TSX:RNW (TransAlta Renewables)

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Date

2025/08/27

Date Created

2021/01/29

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