3 Dividend Stocks That Are Passive-Income Warriors

Description

About one-third of Canadians believe the country's economy is in a state of a severe recession. The data comes from the survey results by the Pollara Strategic Insights. While the annual economic outlook survey paints a gloomy picture, people remain surprisingly bullish about their personal finances.

The poll results also show that four of five Canadians fear the recession could last for years. If you seek more financial cushion, the TSX has passive-income warriors. Your extra cash could produce-income streams from three companies that pay monthly dividends.

Highly contracted assets

AltaGas (TSX:ALA), a $5.81 billion diversified energy infrastructure company, pays a hefty 4.79% dividend. The utility stock is performing remarkably thus far in 2021 with its 12.61% year-to-date gain. Over the last 20 years, the total return is 1,349.96% (14.29% CAGR).

The company delivers affordable natural gas through its regulated distribution utilities. It also provides storage facilities, energy efficiency contracting and retail power-marketing services, and interstate natural gas transportation. The utility business segment serves about 1.6 million customers.

The company has come a long way since its humble beginnings as a pure midstream player in 1994. The expansion into the power and utility business was gradual but focused. Today, AltaGas produces stable long-term cash flows from highly contracted assets. The current share price is $20.18, although analysts expect it to top $25 within a year.

Mega-merger

Shaw Communications (TSX:SJR.B)(NYSE:SJR) is among the TSX's top performers thus far in2021. The telco stock is up by an impressive 50.95% year to date. If you purchase shares today($33.38 per share), the dividend offer is 3.56%. Analysts are bullish and forecast the price to soar21.33% to $40.50 in the next 12 months.

Telus might not be Canada's second-largest telco firm anymore as a mega-merger looms large. **Rogers Communications** has offered to acquire Shaw for $20 billion. The takeover, however, faces stiff scrutiny, particularly on antitrust aspects of the deal. Shaw's CEO, Brad Shaw, told a parliamentary committee that the merger would result in sufficient market competition. Shaw adds there'll be as much competition in the future as there was in the past.

Long growth runway

Savaria (TSX:SIS) is an interesting pick, because it offers comprehensive product lines in the accessibility industry. The $1.12 billion company from Laval, Canada, manufactures products for people's personal mobility. Among its in-demand products are home elevators, commercial lifts, stairlifts, ceiling lifts, and adapted vehicles.

Besides commercial mobility products, Savaria offers medical beds and therapeutic surfaces. The locations of its manufacturing facilities are in North America, Europe, and China. Its sales network of dealers is worldwide. Savaria has been in existence for 42 years and has gained extensive experience to become an industry leader.

Note that the industrial stock is doing well in 2021. Investors are winning by 22.35% year-to-date. The current share price is $17.60, while the dividend yield is a decent 2.72%. The growth estimate in 2021 and 2022 is 42.3% and 18.9%.

Monthly income streams

AltaGas, Shaw Communications, and Savaria are handily the TSX's passive-income warriors. Not only are the three stocks the top performers in 2021, but monthly dividend payers as well. Take your pick and expect a steady income stream that would add financial cushion during this recession. Only a few companies pay dividends every month.

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2. TSX:ALA (AltaGas Ltd.)
3. TSX:SIS (Savaria Corporation)
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