



## 2 Monthly Income Buys to Hold Forever

### Description

Finding the right mix of growth and income-producing investments should be an objective for every investor. Fortunately, the market gives us plenty of options that offer growth and income. Finding monthly income buys that can provide growth prospects to accomplish both goals are rare, but they do exist.

Here are two stocks that meet both objectives.

### Telecoms make great additions to any portfolio

Telecoms are notoriously great investments. They offer handsome dividends and strong growth in a very defensive package.

**Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)) is neither the largest nor most well known of Canada's telecoms. In fact, prior to several years ago, Shaw lacked a wireless segment to counter what its larger peers can offer. So, what exactly makes this a great buy that can also offer growth?

That would come in the form of Shaw's still-new mobile segment, appropriately known as Freedom Mobile. Shaw marketed this segment as a true competitor and a different option over its larger peers. Specifically, Shaw aggressively marketed its wireless product with generous data allowances and lower, contract-free pricing.

Those efforts have worked well in that Shaw has solidified itself as the fourth-largest wireless carrier in Canada, continuing to see strong growth. By way of example, in the most recent quarter, Shaw's reported an 8.5% bump in wireless service revenue.

Further to that, Shaw is unique among its peers in offering a dividend with a monthly payout. The current dividend on offer works out to a respectable 3.34%. To put that earnings potential into context, a \$20,000 investment in Shaw will provide just over \$55 each month in the first year. Factor in reinvestments and growth, and you have a great monthly income stock for any portfolio.

## Renewable energy should be a core holding

Renewable energy stocks are intriguing options that continue to grow in importance. Traditional fossil fuel-burning utilities are now faced with multi-billion-dollar transitions to cleaner energy. This puts all-renewable utilities at a significant advantage over their [traditional peers](#).

In other words, the time has never been better for prospective investors looking for the stability of a utility stock and the opportunity for long-term growth. For those investors, **TransAlta Renewables** ([TSX:RNW](#)) could be one of several perfect monthly income buys.

TransAlta has a well-diversified portfolio of facilities that encompass different technologies in the U.S., Canada, and Australia. In total, those facilities have just over 2,500 MW of net generating capacity.

Adding to that appeal is the fact that TransAlta follows the same lucrative business model that makes traditional utilities such great defensive holdings. Specifically, TransAlta has long-term regulatory contracts in place that provide a steady, recurring source of revenue for the company. Most of TransAlta's facilities have a contract expiration of at least a decade out.

That stable revenue stream helps TransAlta provide a juicy monthly dividend to investors. The current yield works out to an attractive 4.52%, making it one of the [better options on the market](#). In other words, a \$30,000 investment in TransAlta will provide a monthly income of \$113.

## These monthly income buys are great: Will you buy them?

Monthly income buys such as Shaw and TransAlta are great options to consider for any portfolio. Keep in mind that reinvesting the monthly income that they provide until such time as it is needed can provide even bigger gains for long-term investors.

Further to this, both stocks offer long-term growth potential, making them great buy-and-forget options for nearly any portfolio.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:RNW (TransAlta Renewables)
3. TSX:SJR.B (Shaw Communications)

### PARTNER-FEEDS

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