



## 3 Superb Monthly Income Investments

### Description

Investors often struggle to find the right balance of growth and income-earning investments. Income stocks in particular have their own set of challenges to consider, such as payout dates. Fortunately, there are a select few stocks on the market that pay out on a monthly cadence. These monthly income investments are not just great for income -seekers, but also for investors that have a decade or more to let their portfolios grow.

Here's a trio of monthly income investments that offer significant growth potential.

### Add a telecom for stable income

**Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)) is one of Canada's [largest telecoms](#). The company operates subscription-based wireless, internet, and TV services. This provides Shaw with a steady revenue stream and, in turn, a handsome [dividend](#) for investors.

The company's wireless segment is worthy of mention. The segment is still much smaller than its peers, but Shaw has used its smaller size to its advantage. Shaw's smaller size translates into lower costs, which means lower costs for subscribers. As a result, Freedom Mobile, the appropriately named wireless unit continues to draw on customers from its larger, more expensive peers.

Turning to dividends, Shaw is unique among its peers in being the only telecom to offer a monthly distribution. The current yield works out to an impressive 3.24%. This means that a \$20,000 investment in Shaw will earn \$54 in income each month. Not ready to draw on that income yet? Leave that investment in your TFSA to grow tax-free until needed.

Either way, Shaw is a solid monthly income stock that should be in your portfolio.

### How about a well-diversified stock?

**Exchange Income** ([TSX:EIF](#)) is not a particularly well-known stock to many investors, but it will soon

be. The company owns over a dozen subsidiary companies that operate across two broad segments: manufacturing and aviation.

Those businesses are very well diversified, operating within niche segments of the market where the need is critical, yet competition is minimal. Prime examples of this include cell tower construction and sheet metal fabrication on the manufacturing side. On the aviation side of the business, examples include operating medevac, passenger, and cargo flights to remote areas.

Incredibly, the company continues to seek out new businesses to add to its portfolio, which makes this a growth and income stock to consider. A prime example of this from the most recent quarter would be the acquisition of Carson Air, a fixed-wing air ambulance service in B.C.

Exchange's monthly dividend currently works out to a very tasty 5.37% yield. In terms of earnings potential, every \$20,000 invested into Exchange will provide just shy of \$90 each month in the first year alone. If you factor in dividend growth and reinvestments, the potential income could grow significantly. That factor alone makes Exchange one of several great monthly income investments.

## Turn to renewables for growth and income

Renewable energy continues to grow in importance. That necessary shift to renewables has left traditional fossil fuel utilities with massive transition costs. This also means that well-diversified renewable energy companies are facing a massive growth opportunity.

Enter **TransAlta Renewables** ([TSX:RNW](#)), a growing renewable energy provider. The company has a well-diversified portfolio of facilities that are located across Canada, the U.S., and Australia. Those facilities also encompass a variety of different technologies, including wind, solar, and hydro. Most of those facilities have a PPA expiration date of at least a decade out. This makes TransAlta a [great long-term option](#) for any portfolio.

Apart from the defensive appeal of investing in renewable energy, TransAlta is also a stellar growth pick. The company has a project backlog of over \$2.5 billion, meaning that this is one growth story that will continue for years.

In terms of a dividend, TransAlta offers investors a juicy 4.66% yield. Putting that yield into context, a \$20,000 investment in TransAlta will provide just over \$77 each month in income in the first year alone.

## Final thoughts

No investment is without risk. Fortunately, the three monthly income investments noted above all benefit from a handsome monthly income and significant defensive appeal. In short, buy them, hold them, and let them grow your portfolio.

### CATEGORY

1. Dividend Stocks
2. Investing

### 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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