



2 Stocks to Own for Reliable Monthly Income

Description

Income investors who love to capitalize on shareholder dividends prefer to invest in companies that can provide them with monthly payouts at decent yields. Many publicly traded companies listed on the **TSX** provide their investors with shareholder dividends, but most disburse payments every quarter.

If you want to generate monthly income from your investments, I will discuss two [dividend stocks](#) that you could invest in today for reliable monthly income. The companies I will discuss have a reputation for providing their shareholders with [regular dividends](#) and resilient cash flows to fund future payouts comfortably.

AltaGas

AltaGas ([TSX:ALA](#)) is a low-risk business that owns and operates a portfolio of utility assets that generate predictable cash flows. The company provides its shareholders with monthly shareholder dividends that are funded comfortably by its predictable revenues. AltaGas stock is trading for \$26.20 per share at writing, offering a juicy 3.82% dividend yield that is virtually guaranteed.

Operating in a highly regulated industry, you can expect AltaGas to continue providing you with regular and virtually guaranteed monthly payouts. The company's growing rate base and high-growth midstream business can improve its performance and accelerate its growth for years to come, providing investors with significant wealth growth through capital gains in the long run.

TransAlta Renewables

TransAlta Renewables ([TSX:RNW](#)) is another ideal stock to consider if you are looking for a monthly dividend-paying stock. TransAlta Renewables has increased its dividends at a compound annual growth rate (CAGR) of 3% for the last eight years, and it has a sustainable payout ratio. The stock is trading for \$19.91 per share at writing and pays monthly dividends at an annual dividend yield of a juicy 4.72%.

The company relies on its highly contracted renewable power-generation assets to generate its income and cash flows. As the demand for renewable energy increases over the years, the company will only grow its revenues in the coming years. You can expect the company to continue delivering solid shareholder returns through monthly dividends, capital gains, and potentially greater future dividend payouts.

Foolish takeaway

Becoming a stock market investor that earns a significant amount in passive monthly income does not necessarily mean that you need a lot of money to begin with. Provided that you can find the right assets, start investing early, and regularly contribute to your investment portfolio, it is possible to reach a point where you can earn a substantial passive income.

With monthly dividend stocks like AltaGas and TransAlta Renewables, you can consider reinvesting your dividend income through a dividend reinvestment plan to unlock the power of compounding to accelerate your wealth growth.

You can then begin collecting the dividends as cash when you reach a point when you're earning enough [monthly passive income](#) from your investments.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. TSX:ALA (AltaGas Ltd.)
2. TSX:RNW (TransAlta Renewables)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. adamothonman
2. arosenberg

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date

2025/07/07

Date Created

2021/09/18

Author

adamothonman

default watermark

default watermark