



3 Canadian Stocks to Buy for Monthly Passive Income

Description

Retirees and other income investors are searching for [undervalued](#) dividend stocks and REITs that generate steady passive income. Most companies make quarterly payments, but some high-quality TSX stocks give shareholders a piece of the profits every month.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) pays a monthly dividend of \$0.21 per share. This provides an annualized yield of 6.25% at the current share price near \$40. That's a pretty good return in a world where the best [GIC](#) right now offers a rate of about 2.5% and requires you to lock in the funds for five years.

Pembina Pipeline is a key player in the Canadian energy [sector](#), providing a wide array of services to oil and gas producers. The segments include pipeline operations, logistics, gas gathering and processing, as well as propane exports, among others.

Management isn't afraid to make large strategic acquisitions and has recently formed partnerships with First Nations groups and other industry peers to evaluate potential new developments that include a new LNG project and carbon-sequestration opportunities.

Pembina Pipeline has been around for 65 years and should continue to grow, as the energy sector extends its rebound from the pandemic downturn.

RioCan

RioCan ([TSX:REI.UN](#)) primarily owns shopping malls. That hasn't been a very easy business to operate over the past two years, and things are still a bit volatile with the arrival of the Omicron variant causing new restrictions and the end of government aid threatening the survival of the retail and food sector's hardest-hit businesses.

That being said, the worst of the pandemic might well be over by the spring of 2022, and RioCan still owns some of the top properties available in its core markets. At the same time, RioCan's ongoing mixed-use projects that offer residential units constructed above prime retail locations should diversify revenue in the coming years and drive decent growth.

RioCan pays a monthly distribution of \$0.08. That's good for an annualized yield of 4.25% at the time of writing.

The Keg Royalties Income Fund

Anyone who loves eating a good steak or enjoying a drink in a vibrant atmosphere has likely been to a **Keg** ([TSX:KEG.UN](#)) restaurant. The business has survived decades of changing consumer moods, fads, and tastes and looks set to emerge from the pandemic in good shape.

In fact, the company raised its monthly distribution in 2021 from 3.5 cents to seven cents and then again to the pre-pandemic levels of 9.46 cents per unit. That's good for a 7.5% annualized yield right now.

The unit price is up about 20% in the past 12 months. Omicron restrictions will put a dent in revenue, but the patios will likely be full again once the warm weather arrives and loyal long-term clients flock back to their favourite steak house.

The bottom line on top stocks for monthly passive income

Pembina Pipeline, RioCan, and The Keg all pay attractive monthly distributions that should be safe. The companies have survived the pandemic and should see strong demand for their services, as the country extends its economic recovery.

CATEGORY

1. Dividend Stocks
2. Investing

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1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:KEG.UN (The Keg Royalties Income Fund)
3. TSX:PPL (Pembina Pipeline Corporation)
4. TSX:REI.UN (RioCan Real Estate Investment Trust)

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