



## Passive Income: 4 Dividend Stocks for a Monthly Inflow of Cash

### Description

Dividend stocks are an excellent tool to boost the passive inflow of cash. While many Canadian companies pay dividends, only a few offer monthly payouts and have resilient cash flows that support consistent payouts, even amid a difficult operating environment.

This article will focus on four high-quality stocks worth investing in to generate a [worry-free passive income](#) for years.

### AltaGas

The balanced portfolio of low-risk utility assets and high-growth midstream business make **AltaGas** ([TSX:ALA](#)) a solid investment to generate a passive income that grows with time. AltaGas pays a monthly dividend of \$0.083 a share, translating into an annual yield of 3.7%.

Its dividends are supported through high-quality utility assets that benefit from continued rate base growth. Moreover, its regulated assets generate predictable cash flows that add visibility over future payouts. It's worth noting that AltaGas forecast an average annualized growth rate of 8-10% in its rate through 2026, which will likely boost its high-quality earnings base and drive its dividends higher.

Meanwhile, higher export volumes in the midstream operations and cost-saving initiatives will likely cushion its profitability and, in turn, its future dividend payments. Thanks to its conservative business mix, high-growth opportunities in the midstream operations, AltaGas sees its dividends increasing by 5-7% annually over the next five years. Its dividend is safe, while its payout ratio is sustainable in the long term.

### NorthWest Healthcare Properties REIT

**NorthWest Healthcare** ([TSX:NWH.UN](#)) is another solid bet that won't disappoint you. Its monthly payouts are supported through its low-risk business and resilient cash flows. It's worth noting that NorthWest Healthcare has a diverse portfolio of defensive real estate assets that generate ample cash

to support its dividend payments irrespective of economic cycles.

Its government-backed tenants, high occupancy rate, long lease expiry term, and inflation-indexed rents suggest that NorthWest Healthcare could return a substantial amount of capital to its shareholders.

NorthWest Healthcare stock is trading cheap and offers a stellar dividend yield of 5.9%. Further, its focus on acquisitions, expansion into high-growth markets, and balance sheet optimization bode well for future earnings growth and support my bullish view.

## Northland Power

Shares of **Northland Power** ([TSX:NPI](#)) are another reliable bet to generate a steady monthly cash inflow. It owns a diversified portfolio of renewable power assets and generates strong cash flows supporting its payouts. Notably, Northland Power's most revenues come from long-term contracts with creditworthy government counterparties, which means that its payouts are very safe.

Looking ahead, Northland Power's growing net capacity, development of onshore renewable projects, strong free cash flows, and strategic acquisitions position it well to accelerate growth and deliver strong EBITDA. Northland Power offers a decent yield of 3.3% at current price levels.

## Pembina Pipeline

The final stock on this list is **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)). Its highly contracted assets, solid fee-based cash flows, and high yield of 6.3% make it a [top passive-income stock](#). Pembina has been paying dividends for more than two decades and has increased it at a healthy pace.

Looking ahead, its resilient fee-based cash flows, higher volumes, new growth projects, and backlogs will drive its future dividend payments. Meanwhile, Pembina stock is also trading cheaper than peers on the valuation front and looks attractive at current levels.

### CATEGORY

1. Dividend Stocks
2. Investing

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:ALA (AltaGas Ltd.)
3. TSX:NPI (Northland Power Inc.)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:PPL (Pembina Pipeline Corporation)

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