Boost Your Passive Income With These 3 Monthly Paying Dividend Stocks

Description

The volatility in equity markets is rising amid the fear of multiple rate hikes and the slowdown in global growth due to the ongoing Russia-Ukraine war and subsequent sanctions. So, given the uncertain outlook, investors can strengthen their portfolios by investing in dividend stocks, which are less susceptible to market volatilities, given their regular payouts.

Meanwhile, here are three top monthly paying dividend stocks that you can buy to boost your passive income and strengthen your portfolio.

Pembina Pipeline

Pembina Pipeline (TSX:PPL)(NYSE:PBA) is an energy infrastructure company that earns over 85% of adjusted EBITDA from regulated assets and long-term contracts. So, the company's cash flows are stable and predictable, thus allowing it to maintain or raise its dividend since 1997. Currently, it pays a monthly dividend of $0.21, with its forward yield at 5.1%.

Meanwhile, the rising prices of petroleum products could boost its revenue from the marketing & new ventures segment. Its asset-utilization rate could also increase amid rising energy demand due to the economic expansion. Meanwhile, the company has also committed to investing around $665 million this year, expanding its midstream energy assets. These initiatives could boost its cash flows, thus allowing it to continue paying its dividend at a healthy rate.

Meanwhile, Pembina Pipeline has beaten the broader equity markets this year by returning close to 32%. Despite the surge, it still trades at an attractive NTM (next 12-month) price-to-earnings multiple of 19.4. So, given the favourable environment and its stable cash flows, high-growth prospects, and healthy dividend yield, I believe Pembina Pipeline is an excellent buy for income-seeking investors.

TransAlta Renewables

TransAlta Renewables (TSX:RNW) owns and operates renewable and natural gas power-generation facilities and other infrastructure assets, such as power storage. The company sells its power through long-term power-purchase agreements, thus protecting against price and volume fluctuations.

The company also makes strategic acquisitions. Over the last few months, the company has acquired Windrise wind project and North Carolina Solar. Amid the Russian invasion of Ukraine, the European Union has devised a 10-point plan to reduce its dependence on Russian oil. The plan includes the acceleration of the construction of new wind and solar projects, which could expand the addressable market for TransAlta Renewables.

So, given its healthy outlook and stable cash flows, I believe the company's dividend is safe. With a monthly dividend of $0.07833/share, its forward yield stands at 5.1%. Also, the company currently trades at an attractive NTM price-to-earnings multiple of 24.8.

RioCan REIT

My third pick is **RioCan REIT** (TSX:REI.UN), which owns and operates 207 retail and mixed-use properties, with a net leasable area of 36.4 million square feet. Its occupancy rate stands at 96.8% while earning around 85% of its revenue from strong and stable tenants. The company's weighted average lease expiry stands at 26 years as of December 31.

So, given its high-occupancy rate, long-term agreements, and strong tenants, I believe the company generates robust cash flows, thus allowing it to pay the dividend at a healthy yield. Currently, its forward yield stands at 4.1%.

Meanwhile, RioCan REIT's development pipeline looks strong, with 43.1 million square feet. Its management hopes to deliver 1.7 million square feet of these development projects over the next two years. These new projects could boost its financials and cash flows in the coming quarters. Supported by these rising cash flows, the company is well positioned to continue paying the dividend.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:PPL (Pembina Pipeline Corporation)
3. TSX:REI.UN (RioCan Real Estate Investment Trust)
4. TSX:RNW (TransAlta Renewables)

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