



2 of the Best Canadian Dividend Stocks That Pay Cash Every Month

Description

Earning cash from your investments is always a pleasant feeling, but when you can earn that cash every month, it can also help you to compound that money quicker. That's why some of the best Canadian dividend stocks to buy are ones that pay cash every month.

For most stocks, dividends are paid four times a year — once every quarter. However, there are a select few stocks, usually ones that are made for dividend investors, that return a handsome amount of cash every single month.

If you're looking to boost your passive-income stream, here are two of the best Canadian dividend stocks to consider in this highly opportune market environment.

A top Canadian green energy stock

There's no doubt that green energy is an industry that has decades of growth potential. That's why finding high-quality dividend stocks like **Northland Power** ([TSX:NPI](#)), which you can buy and hold for years, is so ideal.

Northland Power is a monthly dividend stock that has green energy assets in North America, Asia and Europe. A quick glance at the stock shows that its dividend, even after it's sold off recently, offers a yield of 3.2%. That's certainly not too shabby. However, it's also not that high either.

But what's positive about Northland is that much of the company's cash flow goes towards investing in growth rather than back to investors. So, in addition to being a high-quality monthly dividend stock, Northland is also an attractive long-term growth stock.

Plus, with the stock now trading nearly 20% off its high and clearly [undervalued](#), given how resilient its operations are, it's one of the best Canadian dividend stocks to buy now.

One of the best Canadian dividend stocks to buy in the energy

sector

In addition to Northland, if you're looking for a stock that offers a higher yield, **Freehold Royalties** ([TSX:FRU](#)) is one of the best Canadian dividend stocks to buy now.

Despite the fact that Freehold has been one of the best performers this year and is still positive for the year, in recent weeks, Freehold stock has sold off significantly.

This significant selloff has made the stock much cheaper and more attractive. In addition, the selloff has also helped push its dividend yield even higher, now standing at roughly 7.4%.

Typically, when stocks have high dividend [yields](#), it can be a sign that it's at risk of being cut. However, currently, Freehold's payout ratio is actually below its target, as the company has been conservative coming off of the pandemic.

Therefore, while it trades so cheaply and offers such a significant monthly dividend, it has to be one of the best Canadian stocks to buy.

Freehold is one of the lower-risk energy stocks you can buy, considering that it receives a royalty from other producers operating on its land rather than it having to produce oil and gas itself.

Therefore, while Freehold is trading undervalued and offering a significant dividend yield, there's no question it's one of the best monthly dividend stocks that Canadian investors can buy today.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:FRU (Freehold Royalties Ltd.)
2. TSX:NPI (Northland Power Inc.)

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. danieldacosta
2. kduncombe

Category

1. Investing

Date

2025/08/24

Date Created

2022/06/17

Author

danieldacosta

default watermark

default watermark