



Passive Income: 4 Top TSX Stocks That Pay Dividends Monthly

Description

Some income investors struggle to find the perfect payout schedule that meets their needs. In part, this stems from the fact that most great income stocks pay dividends on a quarterly basis. Fortunately, there is another option to consider. There are some top **TSX** stocks that pay dividends monthly.

Here are four monthly dividend options to consider for your portfolio.

A diversified mix of successful businesses

Exchange Income Corporation ([TSX:EIF](#)) has a unique business model that many investors are still not aware of. The Winnipeg-based company owns more than a dozen smaller subsidiary companies.

Those companies are grouped into two broad categories comprising aviation and manufacturing. Adding to that, the companies all serve a unique niche segment of the market where there is limited competition and constant demand.

The result is a well-diversified business that generates cash and pays out a juicy monthly dividend. The current yield works out to an appetizing 5.21%.

To illustrate the earnings potential of Exchange, a \$30,000 investment in the company will earn a monthly income of just over \$130. This places Exchange in the realm of top TSX stocks that pay dividends monthly.

Even better, investors should keep in mind that reinvesting those dividends until needed can be a quick way to unlock even more growth.

The real estate market is uncertain. Your investment need not be the same

Would-be landlords and first-time homebuyers are still shut out from the market. White-hot [real estate](#)

prices, and now surging interest rates are pushing home affordability out of reach for many.

For those would-be landlords, there's another intriguing option to consider in lieu of a mortgage. That alternative is investing in **RioCan Real Estate Investment Trust** ([TSX:REI.UN](#)).

RioCan is one of the largest REITs in Canada, with a sprawling portfolio of over 220 properties. Historically, that portfolio has been comprised mainly of commercial retail properties, but the composition is changing. RioCan is now adding more mixed-use residential properties into the mix, which is a huge opportunity for would-be landlords.

In other words, instead of needing \$200,000 or more for a down payment, and carrying an \$800,000 (or more) mortgage, investors can earn a cool \$200 per month on a \$50,000 investment. The current yield of 4.79% makes RioCan a great option for any income investor.

50 years of increases, decades more growth to come

Utilities are some of the best income stocks on the market. There's a good reason for that position, which comes down to the stable (yet very lucrative) business model that utilities adhere to.

In short, utilities are contracted to provide a service. Those contracts are regulated and span decades in duration. Therefore, for as long as the utility continues to provide the service, it generates a stable and recurring revenue stream.

That's only part of the appeal offered by **Canadian Utilities** ([TSX:CU](#)). In addition to a lucrative business model, Canadian Utilities offers investors a juicy monthly dividend that works out to a yield of 4.31%.

If that isn't enough to entice would-be investors, there's one more factor to consider. Canadian Utilities has provided annual upticks to its dividend for an incredible 50 consecutive years. This not only makes it one of the top TSX stocks that pay dividends monthly, but also the only Dividend King in Canada.

Can you hear me now? Great!

Canada's [big telecoms](#) represent another unique option for long-term investors. **Shaw Communications** ([TSX:SJR.B](#))([NYSE:SJR](#)) differs from its peers in that it pays out its dividend on a monthly cadence.

That dividend currently works out to a respectable 3.36%, which means a \$30,000 position will earn just over \$1,000 in the first year. As with the other stocks noted above, investors who don't need to draw on that income can reinvest it. This further enhances the long-term appeal of this stock.

That long-term appeal can be traced back in part to the pandemic. There are now more of us working and studying remotely than at any other point in history, driving demand for communications technologies and services. Not to mention the ongoing 5G rollout and the opportunities this presents which will lead to further long-term growth.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:EIF (Exchange Income Corporation)
4. TSX:REI.UN (RioCan Real Estate Investment Trust)
5. TSX:SJR.B (Shaw Communications)

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