



New Investors: 2 Monthly Dividend Stocks to Add to Your Portfolio

Description

Investing in dividend stocks can be an excellent way for new investors to begin their stock market investing journey. While the more exciting high-growth stocks might appear attractive, it is essential to understand that it is not wise to begin investing by allocating money to high-risk assets. Creating a well-balanced portfolio that mitigates losses from high-risk investments is a good way to begin.

If you are new to the market and searching for [stocks that are suitable for beginner investors](#), dividend investing can be a great approach. High-quality dividend stocks can line your account with more cash, allowing you to enjoy returns from capital gains and dividend income. Creating a portfolio of income-generating assets can help you earn a substantial amount of passive income.

Today, I will discuss two monthly dividend-paying stocks that you can add to your portfolio to begin building a passive-income stream.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#)) is a \$23.18 billion market capitalization Canadian pipeline company that also operates energy storage infrastructure. It engages in delivering oil and natural gas products to and from Western Canada, relying primarily on long-term contracted assets to generate revenue.

This business model allows the pipeline giant to earn predictable cash flows, making it possible for the company to fund its monthly distributions comfortably. The global energy crisis can benefit the company, as the demand for Canadian fossil fuel products increases amid sanctions on Russia.

As of this writing, Pembina Pipeline stock trades for \$41.80 per share and boasts a juicy 6.24% annual dividend yield that it pays in monthly distributions.

Northland Power

Northland Power ([TSX:NPI](#)) is a prime example of a company you can invest in for stellar long-term

returns. [Renewable energy](#) will become increasingly popular, as the world phases out fossil fuel reliance.

It will take a while for cleaner energy alternatives to replace traditional energy products completely, but it will likely happen. Companies like Northland Power are well positioned to capitalize on the green energy boom.

The company has renewable power and utility operations throughout Europe and North America and is a leader in offshore wind projects. It already has plenty of long-term projects in the development pipeline.

Rising energy prices have put more wind in its sails, as countries rely more on renewable energy providers like Northland Power to compensate for the shortfall. As of this writing, Northland Power stock trades for \$37.27 per share and boasts a 3.22% dividend yield that can make it an excellent asset for income-seeking investors to own.

Foolish takeaway

Wealth growth through capital gains is not technically tangible. The value of the assets you hold increases from the price point you purchased, but it's not additional cash itself, just the increasing value of the stock you own. Dividend investing lets you enjoy tangible cash dividend returns.

High-quality dividend stocks can continue paying shareholder dividends, regardless of how they perform on the stock market.

Pembina Pipeline stock and Northland Power stock are resilient business models with cash flows that can sustain monthly dividend payouts. Investing in the stock of these two companies can be a good way for new investors to begin building their passive-income portfolios.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:NPI (Northland Power Inc.)
3. TSX:PPL (Pembina Pipeline Corporation)

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Date

2025/08/13

Date Created

2022/10/23

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