2 Top Dividend Stocks to Buy and Hold Forever

### Description

The Canadian stock market has been in a poor state this year. As of this writing, the **S&P/TSX Composite Index** is down by 10.92% year to date and 14.83% from its 52-week high. The sharp correction has caused stocks across the board to trade at lower levels. Inflation, rising interest rates, and growing geopolitical tensions keep making matters worse.



Times like these serve as a great reminder of the importance of investing some safe dividend stocks in your investment portfolio. High-quality dividend stocks of fundamentally strong businesses gives you the opportunity to weather volatile market conditions while mitigating your losses.

Dividend stocks with resilient business models and wide economic moats can continue paying investors their shareholder dividends during economic shocks.

It's essential to identify high-quality Canadian dividend stocks with staying power you can rely on. Provided you invest in the right stock, you can continue generating a passive income through shareholder dividends, even if the stock is not outperforming the broader market during downturns. Today, I will discuss two such stocks you can consider adding to your portfolio.

## Keyera

**Keyera** (TSX:KEY) is a $6.32 billion market capitalization midstream oil and gas company headquartered in Calgary. It is one of the largest among its peers in the Canadian energy sector and is responsible for transporting natural gas liquids from Western Canada. It services oil and gas producers and is not involved in the production process itself.

As of this writing, Keyera stock trades for $28.61 per share, boasting a juicy 6.71% dividend yield. Its share prices are down by just 0.24% year to date but by 19.36% from its 52-week high. The demand for its services is high.

Between 2016 and 2021, its total revenue almost doubled, helping its bottom line grow by 42% in those five years. As Keyera continues to focus on new opportunities, the strong growth trend in its financials will likely provide further growth.

## Bank of Nova Scotia

Canadian bank stocks make for some of the most reliable income-generating assets, and the **Bank of Nova Scotia** (TSX:BNS) is a great example. Headquartered in Toronto, Scotiabank is a $77.02 billion market capitalization Canadian financial institution. It is the third-largest Canadian bank by market capitalization and deposits and a company cemented among Canada's Big Five banks.

As of this writing, Scotiabank stock trades for $64.65 per share and has a juicy 6.37% dividend yield. Its share prices are down by 28.84% year to date and almost 70% from its 52-week high. Such an alarming decline might make you wary of investing in the Canadian bank stock. However, it could be just the opportunity you need to buy its shares at a significant discount.

The broad pullback in Canadian equity markets doesn't change the fact that it's a strong financial institution with plenty of liquidity and revenue streams diversified across different segments and geographically.

The second quarter of this fiscal year saw it register a 12% year-over-year growth in its net interest income from domestic banking operations. The ongoing global economic concerns might impact its short-term revenues, but its robust balance sheet and diversified revenue streams make it a safe buy-and-hold dividend stock.



## Foolish takeaway

Dividend investing is an excellent way to grow your wealth in the long run. Buying and holding the stock of top-notch, dividend-paying companies can let you grow your wealth through shareholder dividends. Reinvesting the dividend payouts to buy more shares of the stock can help you accelerate your wealth growth by unlocking the potential of compounding.

If you want to play the long game and buy stock that can continue paying you your shareholder dividends during all market conditions, even volatile markets, Keyera stock and Scotiabank stock can be terrific additions to your portfolio.

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