



1 of the Safest Monthly Dividend Stocks to Buy in 2023

Description

The year 2023 has started on a slightly positive note for investors, but the stock market roller coaster doesn't seem to be ending soon. While some experts are hoping for a recovery in tech stocks in the near term, these hopes look bleak as macroeconomic concerns, including high inflation, rapidly rising interest rates, and the possibility of a looming recession, are still keeping most investors at bay.

Given these uncertainties, it makes sense to consider investing your hard-earned money in some quality, monthly [dividend stocks](#) that can help you earn passive income every month, irrespective of market conditions. In this article, I'll talk about one of the safest monthly dividend stocks in Canada that you can buy in 2023.

One of the safest monthly dividend stocks in Canada to buy in 2023

When you're investing in monthly dividend stocks for the long term, you should always take into account a stock's underlying [fundamentals](#) and future growth prospects, apart from its dividend history. This principle will help you enhance your chances of getting solid returns on investments in the long term.

Speaking of Canadian monthly dividend stock with strong fundamentals in 2023, **Pembina Pipeline** ([TSX:PPL](#)) could be worth considering. This Calgary-headquartered company has a well-established business model with over six decades of experience in serving the North American energy industry.

At the time of writing, Pembina has a [market cap](#) of \$24.8 billion, as its stock trades at \$44.97 per share. The stock has slipped by 2.2% in the first two sessions of 2023 due mainly to recent sharp declines in the prices of energy products, including crude oil and natural gas.

Nonetheless, PPL stock has outperformed the broader market by a wide margin in the last couple of years, as it inched up by nearly 20% in 2022 after delivering solid 27.5% returns in 2021. At the current market price, this monthly dividend stock offers an attractive annual yield of 5.8% and distributes its

dividend payouts each month.

What makes it a safe Canadian dividend stock to bet on?

Pembina stock's strong performance in recent years results mainly from the underlying strength in its fundamentals. In the first three quarters of 2022, its total revenue rose by 45% YoY (year over year) as the demand for energy transportation and midstream services continued to improve. With this, the company registered a solid 148% YoY increase in its adjusted earnings during these three quarters.

While Pembina is yet to announce its fourth-quarter results, it has already [announced](#) its 2023 guidance. In 2023, the company expects its adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization) in the range of \$3.5 to \$3.8 billion, which is comparable to its 2022 guidance range of \$3.625 to \$3.725 billion.

Despite growing worries about an economic slowdown and fears about weakening demand for energy products globally this year, the company expects no major declines in its adjusted EBITDA. This reflects the strength of its resilient business model and diversified revenue streams. Given these funds, you can expect this monthly dividend stock to continue soaring in 2023 and beyond and outperform the Canadian market by a wide margin. That's why it could be one of the safest monthly dividend stocks to buy in 2023.

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