



## 3 Top Dividend Stock Picks for February 2023 With Yields of at Least 5%

### Description

Finding top dividend stock picks for your portfolio is something all investors want. Fortunately, the market gives us plenty of options to choose from.

Here are three top dividend stock picks to consider as part of your well-diversified portfolio.

### Wireless or wired, this stock has you covered

Canada's telecoms are almost always great long-term picks, offering income and defensive appeal. And in the case of **BCE** ([TSX:BCE](#)), the defensive appeal and the income it offers are huge.

BCE is the largest telecom in Canada, boasting a solid network of coverage for its core subscription services. In addition to its subscription services, BCE also boasts a massive media segment that includes dozens of radio and TV stations across the country.

What makes BCE one of the top dividend stock picks? BCE is a great stock to own during times of volatility. This is because BCE is one of the best defensive picks on the market. The company's wireless and internet segments have become a necessity in recent years for a growing number of subscribers.

In fact, in the most recent quarter, BCE's internet segment reported 63,466 activations. Turning to mobile, BCE reported 122,621 net new mobile connections, reflecting double-digit growth over the prior period.

BCE offers investors a quarterly dividend that carries a yield of 6.31%. This means that investors who invest \$40,000 can expect to generate an income of over \$2,500.

If that's not enough, BCE also provides investors with annual or better bumps to that dividend. BCE has maintained that cadence for over two decades and has paid dividends for well over a century without fail.

## This company generates passive income you will love

**Enbridge** ([TSX:ENB](#)) is a name that most investors will recognize, and for good reason. The energy behemoth is one of the largest energy infrastructure companies and operates the most complex pipeline network on the planet.

That all-important pipeline network hauls an increasing amount of crude each day. In fact, Enbridge transports more than a third of all North American-produced crude.

Not only does this help Enbridge to generate a recurring revenue stream, but it also makes the stock an intriguing defensive pick, too.

Prospective investors should also note that Enbridge also operates a growing [renewable energy](#) business. The company operates a portfolio of 48 renewable energy facilities encompassing multiple renewable energy types across Europe and North America. In other words, Enbridge is a great defensive pick that is also well diversified.

But let's add Enbridge as a top dividend stock pick as well.

Enbridge offers investors a quarterly dividend that pays out an insane yield of 6.71%. This handily makes the stock one of the [best-paying dividends](#), where a \$40,000 investment will earn an income of over \$2,600.

## This big bank = big income

Canada's big banks are always great income-producing options. And right now, **Canadian Imperial Bank of Commerce** ([TSX:CM](#)) is an intriguing pick for investors.

CIBC is neither the largest nor most well known of Canada's big banks. It is, however, the one bank that is in a prime position for investors to consider.

Runaway Inflation and rising interest rates have put pressure on homeowners. By extension, this puts pressure on banks. And because CIBC has a larger domestic mortgage book than its peers, that pressure extends onto CIBC's stock price.

As of the time of writing, CIBC's stock price is down nearly 25% over the trailing 12-month period. This means the bank trades at a discounted level, with a P/E of just 9.21. And unlike its big bank peers, CIBC underwent a stock split last year, meaning that the entry price for new investors is lower.

This also means that this top dividend stock pick now has a juicy dividend yield of 5.52%. Using the same \$40,000 investment noted above, investors can expect an income of over \$2,200 from CIBC.

## Buying top dividend stock picks with yields over 5%

No investment is without risk, and that's especially true during a [volatile market](#). Fortunately, the three

stocks mentioned above offer some defensive appeal, juicy dividends, and strong growth prospects.

In my opinion, one or all of the above would be welcome additions as part of a larger, well-diversified portfolio.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. TSX:BCE (BCE Inc.)
2. TSX:CM (Canadian Imperial Bank of Commerce)
3. TSX:ENB (Enbridge Inc.)

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