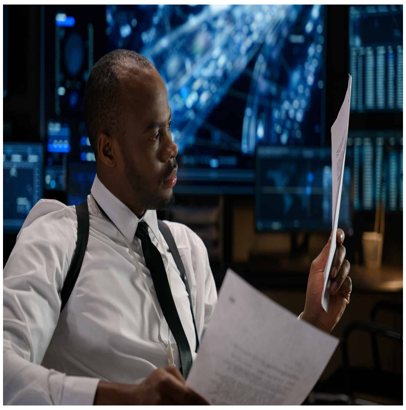

2 Safe Dividend Stocks to Buy in February 2023

Description

The Canadian stock market roller coaster is continuing in 2023 as macroeconomic concerns, including inflationary pressures and the possibility of more interest rate hikes, are spooking investors. After rallying by more than 7% in January, the **TSX Composite** benchmark has lost 1.2% of its value in February so far. In such uncertain economic times, you should hold some safe, large-cap dividend stocks in your portfolio, which can keep rewarding you with attractive dividends, despite market challenges.

In this article, I'll talk about two of the safest dividend stocks in Canada to buy in February 2023.

Scotiabank stock

Bank of Nova Scotia (TSX:BNS) could be one of the safest dividend stocks in Canada that rewards its investors with healthy dividends every quarter. The Toronto-headquartered Scotiabank is currently the fourth-largest Canadian bank based on its market cap of $86.9 billion. After witnessing a 26% value erosion last year, its shares have recovered by 10% in 2023 so far to $72.95 per share. At this market price, BNS stock offers an attractive dividend yield of 5.6%.

In five years between its fiscal 2016 and fiscal 2022 (ended in October 2022), Scotiabank's total revenue increased by 16%, and its adjusted earnings saw 30% positive growth. During these five years, the bank also raised its dividends by 33% to $4.06 per share.

Besides its strong long-term financial growth trends, Scotiabank has increased its investment in new technology in recent years to modernize its operations and makes its offerings more attractive. These investments are likely to pay off well in the long run and help the bank accelerate its financial growth further, which should help its stock rally. These are some of the key reasons that make BNS a safe Canadian dividend stock to buy in February.

Enbridge stock

Speaking of safe stocks, **Enbridge** (TSX:ENB) is another fundamentally strong dividend stock to consider buying right now. This Calgary-headquartered has over seven decades of experience in the energy transportation and infrastructure sector. It currently has a market cap of $106.1 billion, as its stock trades at $52.38 per share after sliding 1% in 2023 so far. At this market price, ENB stock offers an attractive 6.8% annual dividend yield.

Last year, the Canadian company generated nearly 55% of its total revenue from the energy services segment, and 23% of it came from its liquids pipelines segment. Enbridge's revenue in five years between 2017 and 2022 jumped by about 20%, helping the firm post a solid 43% positive growth in its adjusted earnings. Besides its strong presence in the energy transportation business, Enbridge has sped up its efforts to expand into renewable energy and power generation and oil export segments lately.

Another key factor that makes Enbridge a safe bet for long-term investors is its outstanding track record of increasing dividends. While the company has been paying dividends for nearly seven decades, it has increased dividends per share for 28 consecutive years. Moreover, its solid financial position and predictable cash flows make ENB stock great stock to own for decades to come.

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1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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2. TSX:ENB (Enbridge Inc.)

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