



## 1 of the Best Investments for Your Future

### Description

One of the common reasons to invest is to secure your financial future. You want to invest in businesses that have been successful and will continue to make great strides far into the future.

Investors should have strong confidence in **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) for helping [secure their financial future](#). It is a leading global alternative asset manager with more than US\$365 billion of assets under management (AUM), including US\$150 billion in fee-bearing capital.

### Growing fees

Essentially, the company earns management and performance fees from the large pool of assets it manages. So, the larger its AUM, the greater its fee-bearing capital, and the more fees it'll earn.

Since 2015, Brookfield Asset Management's annualized fee revenues have more than doubled, climbing about 145% to US\$3.1 billion. That amount is set to grow over time.



### Great returns and strong demand

Large institutional investors and sovereign wealth funds trust Brookfield Asset Management with their

capital, and the company hasn't disappointed. For example, its five-year total returns were 13.4% per year, while its dividend per share increased by about 9% per year.

There's ongoing strong demand for what BAM offers. For example, in the first quarter, it highlighted that it successfully raised US\$15 billion for its real estate fund and US\$14 billion for its infrastructure fund.

## Foolish takeaway

Brookfield Asset Management focuses its investments in largely high-quality cash cow assets, which it invests through its investment arms in the areas of real estate, renewable power, and infrastructure.

It has large stakes 30-68% in these publicly traded entities. Therefore, its interests are aligned with those of shareholders. Additionally, the publicly traded entities give more flexibility in capital raising and easy access for investors to buy shares of individual entities when they're trading at great valuations.

Investors should treat BAM as a growth stock, as the stock offers a small yield of 1.3%. Retirees or investors who are close to retirement may brush off the stock because of its low yield. However, any investor who cares about future growth should consider building a position in the stock.

BAM is a top-notch business trading at a fair valuation. Currently, analysts have an average target that's about 14% higher from current levels. The company aims for total returns of 12-15% over the long haul.

Long-term investors who don't already own the stock should consider buying some shares now and continue to build a position over time. Occasionally, the stock can decline meaningfully from market-wide corrections, at which time it'd be [an incredible opportunity](#) to back up the truck.

### CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. TSX:BN (Brookfield)

### PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

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**Author**

kayng

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