



## 2 Stocks With Double-Digit Earnings Potential

### Description

How often is it that a stock can boast massive growth potential while simultaneously offering one of the best-paying (and well-covered) dividends on the market?

If you're stuck trying to think of an investment like that, allow me to introduce both **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) and **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)).

### Enbridge is the perfect investment

There are two key factors that [I look for](#) in an investment, long-term return (whether through a handsome dividend or growth), and opportunity. Enbridge has both of these criteria in spades. Let me start with the opportunity, which helps set up that long-term return.

Enbridge is an energy infrastructure company. Actually, it's one of the largest on the planet, with a pipeline network that connects much of North America, hauling over two-thirds of Canada's crude exports to the U.S., as well as one-fifth of all the natural gas consumed by the U.S.

That impressive pipeline network operates much like a toll road network, charging customers based on the volume of crude or natural gas traversing the network, rather than the price of the commodity being hauled.

This is an immense advantage that Enbridge has over the energy sector, where the volatile price of oil can wreak havoc on results.

That steady toll road income has allowed Enbridge to report a steady (and growing) source of revenue with each passing quarter, which the company then invests into its massive multi-billion dollar backlog of projects and returns to investors in the form of a handsome quarterly dividend, which currently offers a yield of 6.23%.

## This bank is growing in all of the right places

As Canada's second-largest lender, TD has a well-established portfolio of branches both within Canada as well as internationally. That international network, which is fuelled largely by TD's growing presence in the U.S. market is where investors will find the most opportunity.

In the years following the Great Recession, TD acquired several banks along the east coast of the U.S. and stitched them together under a single banner. Today that branch network in the U.S. has more branches than the domestic network in Canada, stretching from Maine to Florida, accounting for a third of TD's overall earnings.

Apart from the obvious advantages of diversifying outside the Canadian market, TD's growing interest in the white-hot American economy continues to see impressive gains with each passing quarter.

By example, in the most recent quarter, the segment reported adjusted net income of \$1,191 million, reflecting a solid 7% gain over the same period last year.

In terms of a dividend, TD offers an impressive quarterly dividend that currently provides an ample 4.01% yield, making it a perfect investment for long-term investors looking for both growth and [income-earning potential](#).

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:ENB (Enbridge Inc.)
4. TSX:TD (The Toronto-Dominion Bank)

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