



2 Dividend Companies to Watch in September

Description

At least once a month, I try to suggest two companies that investors should keep an eye on. I normally focus on growth companies, but I do appreciate solid dividend growth companies as well. In this article, I will discuss two dividend companies to watch in September.

Providing loans during a tumultuous time

One of my first articles ever looked at **goeasy** ([TSX:GSY](#)) and [the opportunity](#) that investors were presented during the start of the market recovery. Goeasy provides non-prime leasing and lending services through its two branches: easyhome and easyfinancial. Since 2001, goeasy's [annual revenue](#) has seen a compound annual growth rate of 13.1%.

Because of the COVID-19 pandemic, a large proportion of workers in Canada were either laid off or saw significant cuts in their work hours. Because of this, many individuals would have felt the pressure financially and would have needed to turn to financial services for help.

Unfortunately, banks were hesitant to lend money during the crash. However, that opened the door for goeasy. The company reported year over year revenue growths rates of 19.6% and 1.1% in its first and second quarters, respectively.

The successes goeasy have reported financially have been reflected in its stock performance. Since hitting its lowest point in the market crash, goeasy stock has increased 181.23%. Although the company still trades under 17% from its peak at the start of the market crash, goeasy stock has still recovered enough to show a 22% gain over the past year.

The company is also a very strong dividend growth company. Goeasy has been successfully paying dividends for 16 years. The past six years have also seen dividend increases. As of this writing, goeasy's forward dividend yield is 2.78%. The company also has a very attractive dividend payout ratio of 29.01%.

This could be the Berkshire Hathaway of Canada

Although some consider **Fairfax Financial** as the **Berkshire Hathaway** of Canada, I believe another company is more deserving of the title. **Brookfield Asset Management** (TSX:BAM-A)([NYSE:BAM](#)) is an alternative asset management company. You may be familiar with its renewable energy, real estate, private equity, and infrastructure subsidiaries.

Apart from its strong financial position and successful subsidiaries, Brookfield brings attention to itself as the Berkshire of Canada because of its CEO, Bruce Flatt. He has been compared to the one and only Warren Buffett because of a similar value investing style, a very large ownership in his company, and his extended tenure as Brookfield's CEO.

Looking at its subsidiaries, Brookfield is a holding company that prefers to invest in real assets. These are physical assets that have an intrinsic worth due to their substance and properties. Bruce Flatt has spoken previously that he believes real assets could be more widely preferred in the future. If this is true, this sets Brookfield ahead of the game and makes it an interesting investment opportunity today.

Brookfield is also a strong dividend distributor. The company is a Canadian Dividend Aristocrat, having raised its dividend for eight consecutive years. The company currently has a forward dividend yield of 1.40%. Based on cash flow, Brookfield has a dividend payout ratio of 9.60%, suggesting that the company may be able to continue raising its dividend in the future.

Foolish takeaway

If you're looking for two dividend companies to watch in September, I suggest you look at goeasy and Brookfield Asset Management. Both are strong dividend distributors, and the two of them are currently riding tailwinds. Goeasy's financial tailwind may be shorter term, as consumers turn to the company for loans after losing their jobs.

On the other hand, Brookfield's tailwind should be reflected in the long term as the company is eventually rewarded for focusing on investing in real assets.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. brookfield
2. brookfield asset management
3. canada
4. dividend
5. dividend stock
6. goeasy
7. investing
8. long term growth

- 9. market
- 10. Stocks
- 11. value investing

TICKERS GLOBAL

- 1. NYSE:BN (Brookfield Corporation)
- 2. TSX:BN (Brookfield)
- 3. TSX:GSY (goeasy Ltd.)

PARTNER-FEEDS

- 1. Business Insider
- 2. Koyfin
- 3. Msn
- 4. Newscred
- 5. Sharewise
- 6. Yahoo CA

Category

- 1. Dividend Stocks
- 2. Investing

Tags

- 1. brookfield
- 2. brookfield asset management
- 3. canada
- 4. dividend
- 5. dividend stock
- 6. goeasy
- 7. investing
- 8. long term growth
- 9. market
- 10. Stocks
- 11. value investing

Date

2025/06/30

Date Created

2020/09/03

Author

jedlloren

default watermark

default watermark