2 Dividend Stocks That Also Offer Capital Gains

Description

Stock market investing presents plenty of opportunities for investors to grow their wealth and enjoy success. You can take several possible approaches while investing to achieve your long- and short-term financial goals. Dividend investing is an excellent method for investors to enjoy long-term wealth growth or to supplement their primary revenue stream with some passive income.

Many Canadian investors believe that investing in dividend stocks means sacrificing growth potential through capital gains in their investment portfolios. It is true that many dividend-paying stocks do not offer plenty of exciting growth through capital gains. However, there are many dividend stocks that can outperform broader markets.

Today, I will discuss two dividend stocks that could provide you with a passive-income stream without sacrificing growth.

Brookfield Asset Management

Brookfield Asset Management (TSX:BAM.A)(NYSE:BAM) is an excellent stock to consider if you are looking for equity securities that offer shareholder dividends without compromising on growth. Brookfield is a massive $113.65 billion market capitalization alternative investment management company. With over US$600 billion of assets under management, its portfolio provides the company with heavily diversified exposure to a wide range of industries.

The stock might not offer the most exciting growth all the time, but it has its moments that lead to higher profit margins, and it can outperform the broader market. Brookfield has recently entered a partnership with **Tesla** to create a large-scale and sustainable neighborhood in the United States. Provided that it's successful, the project could provide a significant boost to the stock.

At writing, Brookfield Asset Management stock is trading for $72.46 per share, and it boasts a low but reliable 0.91% dividend yield.

goeasy

goeasy (TSX:GSY) is a slightly riskier proposition for dividend-seeking investors who do not want to compromise on growth. The $2.78 billion market capitalization alternative financial company based in Mississauga operates three business units to derive its revenues. goeasy offers high-interest loans to subprime borrowers through its businesses, providing an essential service to consumers who cannot qualify for loans from traditional lenders.

The company's revenues spiked during the pandemic due to the nature of its business. Despite its rapid growth in recent years, the company has maintained its track record for paying rising shareholder dividends. It has increased its dividend payouts for the last six years, and its payouts have grown six-fold in that time.

At writing, goeasy stock is trading for $167.90 per share, and it boasts a 1.57% dividend yield.

Foolish takeaway

Reinvesting the shareholder dividends that you receive from dividend stocks to purchase more shares in the company can help you unlock the power of compounding to accelerate your long-term wealth growth. Combined with the potential for significant long-term upside, the right dividend stocks could help you become a far wealthier investor in the long run.

Brookfield Asset Management stock and goeasy stock do not offer very high dividend yields, but the two companies have a great track record for consistent payouts to their investors. Between reliable shareholder dividends and growth potential, these two stocks could be excellent additions to your investment portfolio.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. 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. Quote Media
6. Sharewise

7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. adamothman
2. kduncombe

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date
2025/06/28
Date Created
2022/01/21
Author
adamothman