



4 Cheap TSX Growth Stocks That Pay Great Dividends

Description

2022 is going to be a volatile year for **TSX** growth stocks. The thought of rising interest rates is putting pressure on [technology](#) and high-growth stocks. Therefore, owning some exposure to stocks that pay [dividends](#) is a nice way to offset capital volatility. This helps ensure that at the very least you collect a baseline return.

Fortunately, the pullback in TSX growth stock valuations is creating some uniquely profitable opportunities for both income and capital upside. Here are four relatively cheap TSX growth stocks that also pay great dividends.

goeasy: A cheap ultra-growth TSX stock

goeasy ([TSX:GSY](#)) has one of the best return track records on the TSX today. Over the past 10 years, it has delivered a 2,780% total return. That is a nearly 40% annual return. This TSX growth stock has done an exceptional job capturing market share in the non-prime lending niche. It has now built an omni-channel (online and storefront) platform, which has fueled compounded revenue and earnings-per-share growth of 19% and 34% for the past five years.

This TSX financial stock still has lots of growth ahead. There are new loan opportunities in autos, recreational vehicles, and buy-now-pay-later. This stock pays a small 1.7% dividend. Yet it has grown that dividend on average by 39% for the past five years. The cherry on the cake is that this stock only trades for 10 times earnings today.

Sylogist: A tech turnaround story

A technology stock with an attractive dividend is **Sylogist** ([TSX:SYZ](#)). It pays a whopping 4% dividend yield today. Sylogist provides crucial enterprise resource planning (ERP) software for governments, school districts, and not-for-profits. Sylogist operates a software-as-a-service model, so it can generate a lot of free cash flow at a very low cost. This supports its elevated dividend.

With a new management team, the company has now pivoted to a more aggressive growth and acquisition strategy. It has a very strong balance sheet (net cash position). Recently, it has been able to add some attractive software businesses to its core platform.

This TSX growth stock is in a turnaround phase, so its earnings may be choppy. However, for a long-term investment, this could have a lot of upside.

Brookfield Asset Management: A large-cap growth stock

Many may not consider **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) a TSX growth stock. Yet it has been compounding distributable earning per share by a 32% annual growth rate over the past five years. Likewise, assets under management have been compounding at a 25% annual growth rate.

Interestingly, the stock has failed to keep up. It has only delivered a 16% compounded annual return in that period. For such a large (\$113 million market capitalization), diversified business, [its growth is really impressive](#). Even here, investors get a great mix of growth, value, and dividends. It only pays an approximate 1% dividend today; however, it has grown that payout on average by 8.5% every year.

Calian Group: A TSX growth stock at a fair price

Another intriguing TSX stock for growth, value, and income is **Calian Group** ([TSX:CGY](#)). This is another underfollowed stock on the TSX. Over the past couple of years, it has been growing revenues and EBITDA by a respective 22% and 38% average annual growth rate. Yet it trades for less than one times sales and less than 10 times enterprise-value-to-EBITDA (EV/EBITDA).

This TSX stock has a great cash-rich balance sheet and many levers for organic and acquisition growth. It is growing in some very interesting sectors, like advanced technologies, education, cybersecurity, and healthcare. The company pays a 2% dividend. Given strong cash flow growth, the dividend payout could potentially rise this year.

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2. TSX:BN (Brookfield)
3. TSX:CGY (Calian Group Ltd.)
4. TSX:GSY (goeasy Ltd.)
5. TSX:SYZ (Sylogist Ltd.)

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