



2 Top TSX Growth Stocks That Also Pay Investors Tasty Dividends

Description

Investing in quality [dividend stocks](#) is always a good strategy, as you can benefit from a steady stream of dividend income as well as long-term capital gains. Further, the ongoing volatility surrounding the equity market has lowered the valuation multiples of stocks and increased dividend yields in the process.

Let's take a look at two quality growth stocks trading on the TSX that also pay investors juicy dividends.

Brookfield Renewable Partners

One of the largest players in the clean energy space, **Brookfield Renewable** ([TSX:BEP.UN](#))([NYSE:BEP](#)) expects investments in this sector to total US\$150 trillion in the next three decades, providing it with massive opportunities to increase shareholder value.

While Brookfield Renewable has a major presence in the hydro-electric vertical, it is now increasing investments to build a sizeable portfolio of wind and solar energy projects as well. It recently closed the acquisition of a solar development business that will increase power production by 22 gigawatts.

The company has a solid pipeline of renewable energy development projects and ended Q1 with 69 gigawatts of projects under development, which can power nine million homes each year. Right now, Brookfield Renewable's operating portfolio stands at 21 gigawatts.

These investments should allow Brookfield Renewable to grow funds from operations (FFO) between 6% and 11% through 2026. Additionally, Brookfield expects to increase FFO by 9% per share on the back of acquisitions. It has secured US\$340 million of investments this year and is [on track to invest over](#) US\$1 billion each year through 2026.

Brookfield Renewable has delivered outsized gains to investors. Since 2002, the stock has returned 17% annually compared to 7% returns delivered by the S&P 500. Despite these market-beating gains, Brookfield Renewable stock is down 26% from all-time highs and offers investors a forward yield of 3.75%.

goeasy

Another company that has crushed the broader markets, **goeasy** ([TSX:GSY](#)) is valued at \$1.71 billion by [market cap](#). While GSY stock is down 50% from all-time highs, it has returned 1,920% to investors in dividend-adjusted gains since May 2012. Further, it also provides investors with a forward yield of 3.4%.

goeasy offers non-prime leasing and lending services through brands such as LendCare, easyhome and easyfinancial. It also provides multiple financial products and services that include lease-to-own merchandise, home equity loans, personal loans, and auto loans.

Until now, goeasy has served 1.1 million Canadians originating more than \$8 billion in loans. Around a third of its easyfinancial customers graduate to prime credit while 60% increased credit scores within 12 months of borrowing.

In Q1 of 2022, goeasy's loan originations rose by 75% to \$477 million. Its loan growth rose 307% to \$124 million while its loan portfolio widened 69% to \$2.15 billion, allowing the company to increase sales by 36% to \$232 million.

Analysts expect goeasy to increase sales by 20% to \$993 million and earnings by 13% to \$11.8 per share in 2022. So, GSY stock is valued at less than two times forward sales and a price-to-earnings multiple of 9.2, which is really cheap.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:GSY (goeasy Ltd.)

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