



2 Low-Risk Growth Stocks Paying Great Dividends

Description

Rising interest rates, the end of lockdowns, and recession fears have hammered tech stocks in 2022 and the headwinds for [growth stocks](#) look set to remain in place for the rest of this year and into 2023.

The tech sector, however, will eventually rebound, and investors should have some exposure to growth stocks in their portfolios. One way to safely do this during the current conditions is to own top Canadian [dividend stocks](#) that get most of their revenue from reliable and stable businesses but also have venture capital arms that invest in growth opportunities.

Power Corp

Power Corp ([TSX:POW](#)) is a Canadian holding company that primarily invests in solid insurance, wealth management, and asset management businesses that produce steady streams of fee revenue that supports generous dividends.

Power Corp owns a majority interest in **Great-West Lifeco**. This company is home to Canada Life, Irish Life, and American businesses including Empower and Putnam Investments. Power Corp is also a majority owner of **IGM Financial**, which owns IG Wealth Management, Mackenzie Investments, and Investment Planning Counsel.

Power Corp has interesting alternative asset investment platforms with a venture capital strategy that invests in fintech and sustainable power startups in North America, Europe, and Asia. Several of its fintech venture holdings are doing business with the core businesses, helping the legacy firms become more competitive and more efficient while driving growth in the new firms.

For example, Power Corp's Sagard has \$14 billion in assets under management with interests in 85 companies, including Wealthsimple and Personal Capital.

Investors get good exposure to the venture capital opportunities without taking on too much risk. Power Corp pays a generous dividend that currently yields 5.6% and offers significant potential upside in the event one or several of the venture capital plays turns out to become a major unicorn.

Telus

Telus ([TSX:T](#))([NYSE:TU](#)) is best known for its wireless and wireline networks that provide Canadian businesses and households with mobile, internet, security, and TV services. The revenue stream is reliable in most economic conditions due to the essential nature of the services, and Telus has a strong enough market position that it can raise prices when its costs increase. The dividend typically increases by 7-10% every year and currently provides a 4.5% yield.

Telus, however, also has a great track record of building up tech subsidiaries. The company took its **Telus International** business public in early 2021 with an initial valuation of \$8.5 billion. This was the fifth-largest initial public offering in TSX history based on total proceeds raised. Telus International provides IT services and multilingual customer care services to global clients.

Telus is currently focused on tech disruption in the healthcare and agriculture sectors. Telus Health provides digital solutions for doctors, hospitals, and insurance companies. The recently announced acquisition of **LifeWorks** for \$2.3 billion will expand the businesses significantly by product offerings and geographic reach.

Telus Agriculture helps farmers make their operations more efficient. The group is expanding into consumer goods as well, helping players all along the value chain, including food processors, distributors, and retailers streamline the industry and make everyone along the way more profitable.

The bottom line on investing in growth stocks

Power Corp and Telus offer investors a way to get exposure to attractive growth opportunities without taking on too much risk. The companies pay attractive and stable dividends while giving investors a shot at meaningful upside in the event the subsidiaries and venture investments soar in value. If you have some cash to put to work in a growth portfolio, these stocks deserve to be on your radar.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:POW (Power Corporation of Canada)
3. TSX:T (TELUS)
4. TSX:TIXT (Telus International)

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