



## Passive Income Investors: 1 Dividend Stock That Could Beat the TSX Next Year

### Description

Dividend stocks remain a big point of focus for investors these days. There remains the risk of a recession in 2023, and therefore investors want as much passive income coming in as possible.

However, don't let the potential of a [recession](#) make you take your eye off the prize. That prize is your ultimate goal, whether it's retirement, paying off debts, or simply creating some emergency savings. Whatever your goal is, you want a dividend stock that's also going to do well.

Today, I'm going to focus on one dividend stock that could beat the **TSX** next year. And that's saying a lot, because after a recession there could indeed be a bull market. So let's look at what could happen in 2023, and what dividend stock investors should start watching.

### Look to the past

Let's look at [how the TSX has performed](#) since 2000 during downturns to get an idea of what kind of growth we could see in 2023. Since 2000, Canada has gone through two recessions, with some economic downturns on the way. So, if we head into a recession in 2023, let's look at what kind of growth came after that.

Between August 2000 and October 2002, the TSX fell a whopping 48%. From there, by the end of 2003, it had climbed 41%. Now let's fast forward to the Great Recession. Between June 2008 and March 2009, shares had dropped about 50%. By the end of 2009, the TSX rose back about 22%.

So let's fast forward to today, while economists continue to call what's about to happen a "mild" recession. This could mean we don't eventually hit those 40% or more drops. More recently, the TSX dropped from peaks in March 2022 to bottoming out about 18% by October 2022. Shares are now back up 10%, but could fall yet again.

In any case, investors are more than likely going to see another drop. When that happens, we could reach around a 30% drop between March 2022 and this eventual bottom. That could mean we see 20% growth or more by the end of 2023.

## What could possibly grow that much?

If you're going to find a company that's going to grow as much as the TSX, it has to be something bound for greatness in the next year or so. And honestly, I would look to the tech sector for this much growth. But not just any company in the tech sector.

After all, we're looking for a dividend stock. Something that can provide us with passive income. Suddenly the tech stock list is a lot shorter, but still attractive.

For me, the top choice I would make is **goeasy** ([TSX:GSY](#)). Goeasy stock has been around since 1990, going through several recessions and still coming out strong. So strong that it recently announced record earnings!

## It's done well

Goeasy stock was also a growth stock in the past years, now trading in value territory at 11.7 times earnings, with a dividend yield at 3.32%. Shares are down 27% in the last year alone, so it could certainly recover quickly.

In fact, during those same dates I outlined above from the past recessions, goeasy stock managed to survive. In fact, shares shot up during the first recession by 1,600%! Shares then fell by 38% during the Great Recession, remaining stable afterwards until the recent rise.

## Bottom line

If you want growth that's going to last, I would certainly consider goeasy stock. The company climbed once before, and it has again in recent years. Importantly, this company has proven it can continue to grow strong, and retain investor interest through both capital growth and its dividend.

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