

# Evaluating Dividend-Paying Stocks



The simplified approach can be applied to various investment strategies using the basic sources of information identified earlier. One popular strategy focuses on dividend yield. A dividend-yield strategy can help you find potentially undervalued stocks with low downside risk, provided the dividend is secure and expected to grow, and the firm is financially sound. This strategy will also tend to produce more income in the form of dividends, and less in the form of capital gains, than other strategies.

[Read more »](#)