



1 Undervalued Dividend Stock With High Green Energy Growth

Description

This undervalued Canadian dividend stock in the quickly growing renewable energy sector is giving shareholders a dividend yield of 6.46%. Renewable energy is set up to be huge globally, with growth outpacing that of the traditional energy sector substantially. Headquartered in Toronto, Canada, **Polaris Infrastructure** ([TSX:PIF](#)) operates renewable energy projects in Central and South America, including geothermal and hydroelectric technologies.

Central and South America pose even higher growth projections for [renewable energy](#) utilities like Polaris due to higher economic growth. Developing countries typically have more significant untapped market opportunities than advanced economies, from which Polaris can benefit to give shareholders additional returns.

Canadian investors should look for stocks in high-growth export markets like green energy. Shares in the renewable energy industry are the perfect long-term investment for Tax-Free Savings Accounts and Registered Retirement Savings Plans. In 20 years, these stocks will prove themselves to be secure energy assets to protect your peace of mind during retirement.

Two of Polaris Infrastructure's most notable projects include Polaris Energy Nicaragua and Polaris Energy Perú.

Polaris Energy Nicaragua

Polaris Energy Nicaragua operates a geothermal power plant with an installed capacity of 77 MW (72 MW net). As one of the largest generators of renewable energy in Nicaragua, Polaris possesses significant market power in a quickly growing economy. As an undeveloped nation, many households still lack access to electricity, meaning market opportunity exists in Nicaragua that wouldn't otherwise be available in Canada.

Further, as a country heavily dependent on oil imports, the Nicaraguan government under the sitting president, Daniel Ortega, has established goals to convert 90% of the electric grid to renewable sources by next year. Nicaragua needs Polaris to achieve these ambitious renewable energy goals

and galvanize economic growth.

Polaris Energy Perú

Canadian shareholders will want to keep an eye on Polaris Energy Perú, as it has multiple projects scheduled to come online before the start of 2020. The added revenue growth from these ventures should give the stock price a boost in the next few earnings cycles.

Perú is a specifically exciting growth market with very stable economic prospects compared to some Latin American countries, which have experienced political instability the past year. Renewable energy projects in this country face substantially less exposure to risk than those in Nicaragua. The new projects then diversify the risk profile of Polaris investments in Latin America without sacrificing growth.

Foolish takeaway

Aspiring Canadian retirees have many options at their disposal to build an excellent retirement portfolio. No Canadian should buy into fear-inducing headlines about how out-of-reach retirement is for most citizens. Every Canadian can retire wealthy if they know how to invest wisely.

The trick is to look for stocks like Polaris Energy and practice investing and forgetting. The number one mistake investors make is taking a short-term outlook on their investments. Your assets are bound to rise and fall in value over the years. If you allow anxiety to control your investment decisions, you may sell low instead of waiting out the rough waters until demand is higher.

The best strategy you can develop when planning your retirement is a long-term view. Don't get too caught up on overdramatized headlines about earnings misses and market crashes. Find industries and corporations you can trust for the next 20 years and [buy to hold forever](#).

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Author

debraray

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