



TFSA Wealth: 3 Renewable Energy Stocks That Yield up to 6.2%

Description

I have been [bullish on green energy stocks](#) all year, and I'm not changing my tune as we look ahead to the new year. This rings especially true as broader economic growth softens. The proportion of renewable energy power is set to increase steadily in the coming years and decades.

These are some of the key reasons I love renewable energy stocks for a Tax-Free Savings Account. This gives investors the chance to build nice wealth through capital growth and the income that some of the top renewable equities offer. Though the sector has hit some turbulence in the second half of this decade, I still like at least some exposure as a long-term play. To add to the appeal, there are several green energy equities on the TSX that [pay nice dividends](#).

Brookfield Renewable Energy

The biggest of the bunch is **Brookfield Renewable Energy** ([TSX:BEP.UN](#))([NYSE:BEP](#)), which boasts a market cap over \$10 billion. Brookfield has been an electric performer in 2019, as its shares have climbed 86% as of close on December 3. Its priced at a premium right now, so pickier value investors may want to monitor this stock rather than pull the trigger right away.

Brookfield Renewable released its third-quarter 2019 results on November 11. Total generation in GWh has moved over 40,000 in the year-to-date period compared to 37,611 at the same time in 2018. Funds from operations have climbed 25% year over year to \$590 million in the first nine months of 2019.

It last paid out a quarterly dividend of \$0.515 per share, which represents a still solid 4.3% yield. The company has delivered dividend growth for nine consecutive years.

TransAlta Renewables

TransAlta Renewables ([TSX:RNW](#)) is a Calgary-based utility that operates in the renewables space. Its shares have surged 53% in 2019 so far. The company released its third-quarter 2019 results on

November 6.

Adjusted funds from operations climbed 3% year over year to \$69 million in Q3 2019. It was a solid quarter overall for TransAlta, which is pressing forward on commissioning two United States wind projects by year's end. Renewable energy production has moved up marginally in the year-to-date period, but the completion of these projects will represent a strong step forward, as the company moves into the next decade.

The stock currently pays out a monthly dividend of \$0.07833 per share, which represents a tasty 6.2% yield. TransAlta has delivered six consecutive years of dividend growth. Shares are trading close to a 52-week high, but its P/E ratio of 20 and P/B value of 1.7 still put it in good value territory relative to its industry peers.

Innergex Renewable Energy

Innergex Renewable Energy ([TSX:INE](#)) is a Quebec-based company that is a renewable power producer. Its stock has climbed 41% in 2019 at the time of this writing. Innergex has achieved average annual returns of 16% over the past 10 years, which is fantastic when we consider its strong yield over that period.

The company released its Q3 2019 report on November 12. Innergex reported revenues from continuing operations of \$142.8 million in the third quarter, which represents 23% growth from the prior year. Adjusted EBITDA increased 28% to \$107.4 million. The most exciting announcement in the third quarter came in the form of its completion of its largest wind farm to date, while nearing the completion of the largest solar project in Texas. This is a renewable energy producer on the move as we head into the next decade.

Innergex stock offers a quarterly dividend of \$0.175 per share, representing a 4% yield. Like the other three equities I've covered in this article, Innergex is trading close to its 52-week high. Investors are paying a premium for a promising stock in a growing sector.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:INE (Innergex Renewable Energy)
4. TSX:RNW (TransAlta Renewables)

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