1 Top Canadian Dividend Stock to Buy Now for High Returns

Description

Rewarding investors with a dividend yield of 4.1% and up over 7% at the start of the week, **Brookfield Renewable Partners** (TSX:BEP.UN)(NYSE:BEP) is both rich enough for a buy-and-hold investor and popular enough for a growth-conscious shareholder looking for steady capital gains.

It's been an exceptionally strong year for Brookfield Renewable Partners overall, seeing share price appreciation of 81% over 12 months.

Brookfield Renewable Partners could see 116% total returns rewarding shareholders by 2023. Snap up $5,000 worth of shares today and you're looking to more than double your investment in just three years.

It's a relatively safe bet given the mix of world-class Brookfield asset management expertise, canny diversification, the classic defensive play of energy investing, and the high growth potential of green power.

The thesis for stashing shares in renewables is strong. With oil and gas stocks quickly losing their allure, it makes sense to back the winning horse. With some blue-chip behemoths popularizing zero net carbon, an eco-centric investment policy is going mainstream.

Oil and gas stocks are becoming ever more precarious despite the bullishness that surrounds fossil fuels in some circles. It's a massive industry and still the norm, with oil and gas stocks padding many funds.

But the success of renewables twinned with the dipping of oil is indicative of the market: Energy stocks are being disrupted, and this is unlikely to change anytime soon.

It's not too late to get defensive

Going green for the 20s is a canny play for both income and growth. But if you're simply getting defensive with a stock portfolio, add gold and wide-moat dividend stocks to you shopping list.

One of the safest bets for cautious investors seeking long-term exposure to low-risk assets is the gold industry. Precious metals and mining is one of the strong points of the **TSX** – unsurprisingly, perhaps, for a nation famous for its natural resources.

Newmont's announcement of its divestiture of the Red Lake complex continues the miner's post-takeover streamlining process, which has been strengthening the company's bottom line. The company also pays a dividend, currently yielding in the 1-2% range.

Pairing gold with a market leader while stripping out underperforming energy assets is a strong move at the moment. Consider Canada's most strategically significant rail operator, **CN Rail**.

The company proved how integral it is to the Canadian economy last year when its strike laid bare the extent to which a comprehensive range of sectors rely on its vast transportation network.

While a 1.8% dividend may be on the small side, it could accumulate a significant nest egg over the years. And while investors may seek to divest of oil stocks themselves, CN Rail serve as a low-exposure proxy via its crude-by-rail enterprise in the meantime.

The bottom line

Buying Canadian stocks for a possible recession? Brookfield Renewable Partners is a smart buy stocks that sources income from the global growth market of green power.

Matched with extreme moatyness from CN Rail and the unbeatable safety of a gold investment and the cautious investor has the makings of a recession-proof stock portfolio.

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