



## 2 Dividend Stocks to Build a Crash-Proof and Rock-Solid Portfolio

### Description

There was a rapid growth of Master Limited Partnerships or MLPs in the past decade. Many income investors are finding the unique asset class appealing, particularly two Brookfield names. Aside from the attractive dividends, this pair of prominent MLPs offers [capital protection](#). In the MLP universe, the most famous name is Brookfield.

**Brookfield Infrastructure** ([TSX:BIP.UN](#))([NYSE: BIP](#)) and **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)) are among the best MLPs you can find. You can build a crash-proof and rock-solid dividend portfolio.

### Strategic infrastructure assets

Brookfield Infrastructure owns several infrastructure networks around the globe. This \$21.38 billion MLP operates in sectors such as energy, data, freight, passengers, and water.

Every year since 2012, the funds from operation per share (FFOPS) have steadily increased. The primary reason is that the infrastructures Brookfield provides are wanted even during an economic crisis. Hence, funds from operation (FFO) would remain relatively stable, notwithstanding a market downturn.

One interesting attribute of Brookfield Infrastructure is good stewardship of capital. Most of the assets it owns are for the long haul. And because the space is capital intensive, the captured business is hard to duplicate.

Moving forward, Brookfield Infrastructure should be displaying strong revenue growth. The expanding asset base from acquisitions assures organic growth.

There is a \$1.1 billion reserve for future investments in gas pipelines, data distribution, rails, and telecommunications towers in several key international markets.

At present, Brookfield Infrastructure pays a dividend of 3.74% with a potential capital gain of 42.84% in

2020 based on analysts' forecasts.

## Benchmark of green investors

Brookfield Renewable operates renewable power assets that today produce over 19,000 megawatts of power from 880 generating facilities. The locations are in North America, South America, Europe, and Asia.

This \$12.38 billion MLP and member of the Brookfield family is still investing to scale in all major renewable technologies. Over the last ten years, the stock has a total return of 512.79%. In 2019, the stock did well, delivering gains of 70.92%.

As of year-end 2019, the liquidity position (\$2.7 billion in funds) of Brookfield Renewable is robust. If the company maintains the current pace of investing in new projects and pursues potential acquisitions, you'll see more internally generated funds. There shouldn't be a problem sustaining the 4.53% dividend yield.

With more nations shifting to [clean and green energy sources](#), the annual growth estimate for Brookfield Renewable in the next five years is 41.86%. But more than the stable cash flows, the company is also assisting to fast-track the decarbonization of global electricity grids.

## A stock portfolio for decades

Since the creation of the first MLP in 1981, the best the lot has generated excellent total returns. The Brookfield name, in particular, rose to prominence during the rapid expansion phase.

**Brookfield Asset Management** leads the family that owns and operates an irreplaceable portfolio of iconic properties in dynamic markets around the world. The common denominators of family members are growing asset base, stable cash flow, and sustainable dividends.

Brookfield Infrastructure is the catch-all for a wide range of infrastructure assets, while Brookfield Renewable is the gold standard of green investors. You can start creating a crash-proof and rock-solid portfolio that you can maintain for decades.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

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**Date**

2025/08/18

**Date Created**

2020/02/12

**Author**

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