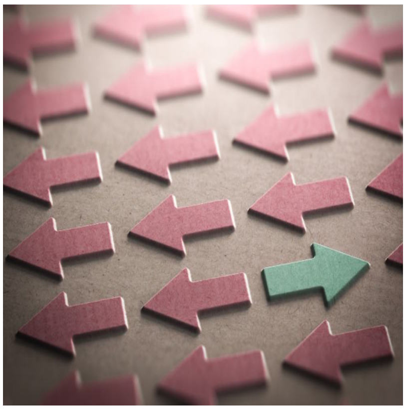

1 Hot Canadian Stock to Buy in March to Beat a Market Crash

Description

How bad could the current sell-off get? While the coronavirus is at present a biological crisis, it's not yet a financial crisis, as Jim Cramer reassured investors mid-week amid a multi-day sell-off. However, the markets have a tendency towards myopia, and the current situation — even if it tips over into a pandemic, as some pundits are already expecting it to — could pale in significance towards future threats.

Indeed, what if an even worse situation exists beyond the current health scare that's gotten investors rattled the world over? How would investors react?

The climate crisis, for instance, could worsen to the point that the environment passes a tipping point. Artificial intelligence could become a serious existential threat. Misused biotech could similarly threaten life at an advanced scale. A pandemic more deadly, more viral, than the coronavirus could emerge. And war, especially nuclear conflict, remains an ever-present danger.

The takeaway from the coronavirus, then, is clear: investors should know what they hold, stay bullish, and carry on holding. From keeping enough liquidity to meet rapidly developing challenges to having faith that the economy will eventually bounce back, the playbook for a downturn is always the same. And so is the contrarian strategy, which sees opportunities in other investors' hastily shed assets.

Such opportunities abound at the moment and will only increase as the current sell-off deepens. With a multi-day negative market likely to turn into a longer-term depression, contrarian investors should be looking out for devalued, quality stocks right now and buying in increments so that they can double down on any further weakness.

Trading at its book price, **Brookfield Renewable Partners** (TSX:BEP.UN)(NYSE:BEP) is good value for money, undercutting the average for the sector by more than half. Down 8% at the time of writing, this stock is oversold at present, despite its clear suitability for a defensive portfolio. Its assets include hydroelectric, wind, and solar operations covering the Americas, Europe, and Asia.

Its dividend yield of 4.1% satisfies a reasonably high-yield strategy, while its three-year payout ratio of 74% leaves room for growth in a portfolio built around long-term assets extending beyond the 20s. The buy-and-hold thesis is backed up by the green energy mega-trend, which looks set to be a major investment theme for the foreseeable future.

Total returns of around 145% make for an exceptionally strong return on investment, well suited for the retiree looking for fast capital gains to pack out a Registered Retirement Savings Plan as well as the casual millennial investor padding a Tax-Free Savings Account with hot stocks for long-term capital gains. Up 75% in the last 12 months, Brookfield Renewable Partners is a strong pick.

The bottom line

One of the best asset management stocks on the TSX, this particular member of the Brookfield family is a defensive addition to a portfolio that can add safety from a downturn. Its mix of value, suitably rich yield, and high share price appreciation potential make Brookfield Renewable Partners a defensive growth stock that could outlast even the worst economic downturn.

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