



## TSX Stocks: Here's the Top Long-Term Industry

### Description

Over the last few months, there have been a lot of opportunities for investors to find some great **TSX** stocks. Even still today, some discounts aren't as high, but there are plenty of opportunities to find solid long-term investments.

The general pullback in stocks is an excellent opportunity for long-term investors. A lot of high-quality stocks were still considered buys just four months ago, so to get them at a discount now is a great opportunity.

When looking for a new investment, I'd first advise investors to consider what they may be missing from your portfolio. If you need some more stability in your portfolio, then I'd consider buying a defensive stock first.

And conversely, if you have a lot of defence and want to expose your portfolio to more upside potential, you may want to consider buying a growth stock.

If your portfolio is already well diversified, and you are just looking for a new, top long-term TSX stock to add, I would consider the renewable energy space.

Two of the top stocks on the TSX that are alternative energy producers are **Northland Power** ([TSX:NPI](#)) and **TransAlta Renewables** ([TSX:RNW](#)).

### Green energy growth stock

Northland is one of the fastest-growing renewable energy stocks on the TSX. The stock has wind, solar, and biomass assets, which make up its renewable generation.

The majority of Northland's renewable production, however, comes from onshore and offshore wind farms.

The company's offshore wind farms are located in Europe, with the rest of its generating assets

situated across Canada. In total, Northland has over 2,000 megawatts of generating capacity.

There are several reasons why Northland is so attractive, but the main reason is its growth potential.

Currently, the company has more than 1,000 megawatts of assets in development. When these assets come online, Northland will see a 50% jump in generating capacity, giving it a significant runway for growth.

The stock is also extremely stable. Roughly 95% of its production is contracted through 2020. Plus, Northland's power-purchase agreements have a weighted average duration of more than 10 years.

Lastly, the company pays a stable [dividend](#) that currently yields more than 4.1%.

Northland is a top TSX stock to buy today. It's one you can count on in the short term through market volatility. It's also a stock you can count on to grow significantly over the long term.

## High-yield TSX stock

TransAlta Renewables is an attractive TSX stock not for its growth potential, but for its stability and dividend yield.

The company has wind, hydro, and solar renewable assets with operations in Canada, Australia, and the United States.

In total, the company has roughly [2,500 megawatts](#) of generating capacity. However, the company currently doesn't have any projects in development.

This could change over the short term, but at present, if you are buying TransAlta Renewables, it's for its stable dividend.

At current share prices, the dividend yields roughly 6.6% and has just an 80% estimated payout ratio for this year.

Also, similar to Northland, it has roughly 95% of its production capacity contracted for 2020 and over 10 years average weighted length of its contracts.

Lastly, RNW also has the lowest debt load of all its renewable peers, putting it in a robust financial position.

## Bottom line

Renewable energy is the top industry to invest in today for its stability and long-term growth potential.

Both Northland and TransAlta Renewables are not just top green energy stocks; they are also among the most attractive stocks on the TSX.

These attractive share prices may not last, though, so if you're looking for a top long-term investment, I'd act now.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. TSX:NPI (Northland Power Inc.)
2. TSX:RNW (TransAlta Renewables)

## PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

## Category

1. Dividend Stocks
2. Investing

## Date

2025/08/28

## Date Created

2020/04/25

## Author

danieldacosta

default watermark

default watermark