



#1 Billionaire Energy Stock to Buy

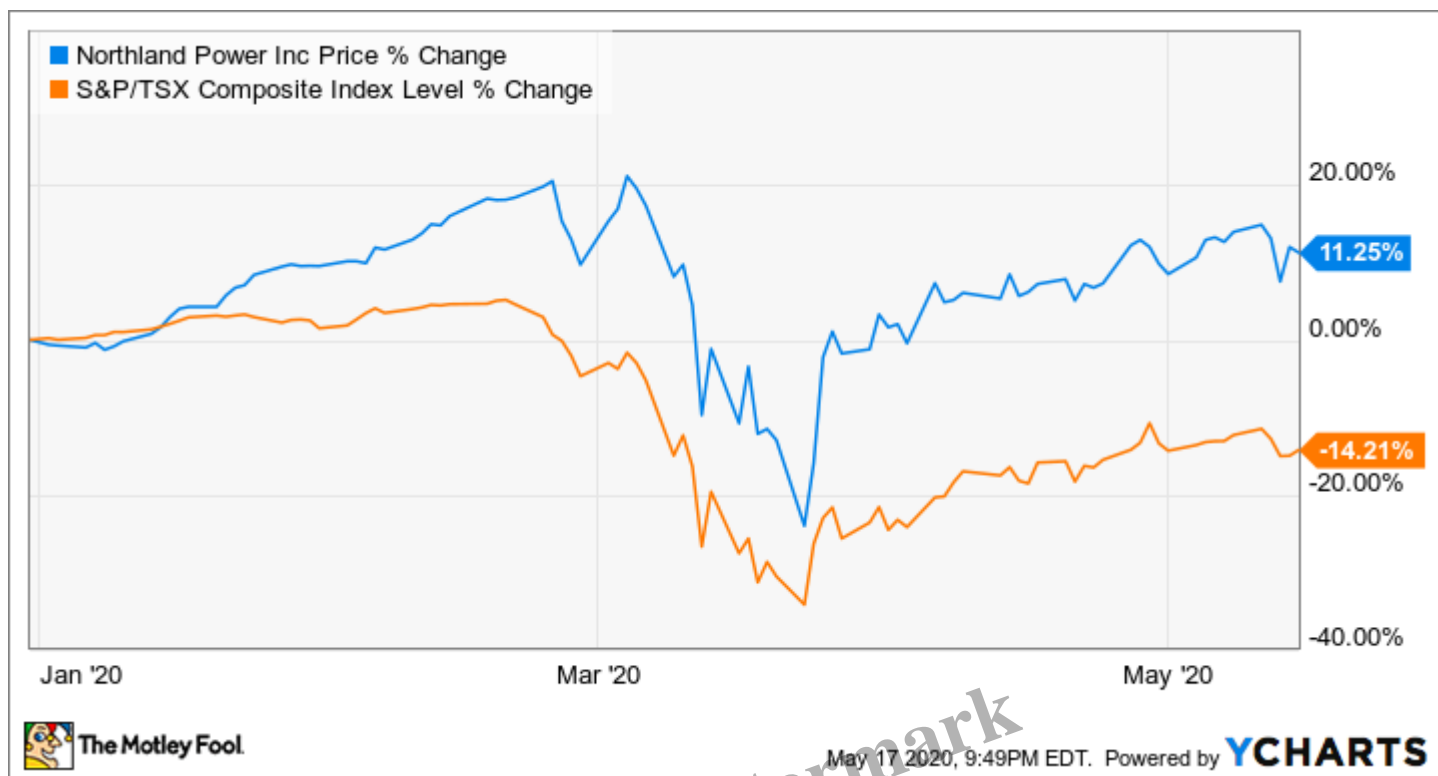
Description

Technical signals are looking good for **Northland Power** ([TSX:NPI](#)), a number one clean energy stock on the **Toronto Stock Exchange**.

Momentum investors buy stocks during uptrends when a stock's price creates higher highs and higher lows. For savers of all types, now is the perfect time to buy top momentum stocks at the start of new uptrends.

Many assets sell for a discount in risky market environments such as the one that we are in today. Northland Power may be one such upward momentum stock to buy; it initially sank along with the **S&P/TSX Composite Index** just to pop back more fiercely after the initial crash in March 2020.

Although [the S&P/TSX Composite Index](#) level percentage change is 14.21%, Northland Power's market value has gained 11.25% since the start of the year.



Positive energy stock analyst sentiment

On March 5, *Simon's Trade* noted the apparent uptrend in the natural gas stock directly before the 37% drop in the share price:

Northland Power Inc #TSX (\$NPI) may continue with its march higher, strengthening the case that \$NPI closed above previous high. As with stocks, no guarantee that it will keep going higher, that's why planning and execution of those plans are crucial.

— Simon's Trade (@simonstradeinc) March 5, 2020

Between March 5 and March 23, it almost appeared that Simon's Trade's stock market prediction was inaccurate. But, then, Northland Power stock, as a leading Canadian producer of wind, solar, and hydropower, once again began a new uptrend.

Great dividends, low beta

Now is a great time to assess the impact of the beta on your retirement portfolio's returns. Lower-beta stocks should perform better during market downturns like the one we just experienced. The beta is the covariance between the individual stock and the market index divided by the variance of the index.

Northland Power, for example, has a historical volatility of 0.55. In theory, for every 1% decline in the index, Northland Power should only lose 0.55% of its value. As you can see from the recent price performance of Northland Power, this Canadian energy stock outperformed the TSX index every step of the way during the COVID-19 market volatility.

Even better: even after Northland Power's quick rebound, the stock is still issuing strong dividend returns to shareholders. The forward annual dividend yield is 3.94%. Investors can reasonably expect to earn a solid income while preserving their principal investment during 2020 with Northland Power in their stock market portfolio.

An effective management team

Mike Crawley has been president and CEO of Northland Power since 2018. Prior to Northland, Mike Crawley was the CEO of AIM PowerGen. After building the company to success, he sold it to GDF Suez, a natural gas producer now operating as ENGIE, a French multinational utility firm.

Crawley is on the leadership board of the Association of Power Producers of Ontario and Clean Energy BC. He is also a member of the Instar AGF Infrastructure Fund advisory board.

Mike Crawley has a stellar record at Northland power. He boasts a 29.61% return on equity (ROE) for this clean energy stock! The ROE is the company's net income (after paying debt interest) divided by the firm's net assets (assets minus debt). A high, positive return on equity is a strong, real financial signal that a stock is a buy.

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