



## 1 Fast-Growing TSX Stock That Surged 33% in 2020 Q1

### Description

The [value investing](#) approach is losing its fan base, as Warren Buffett's stock holdings continue to struggle in the 2020 health crisis. People are moving on and shifting to "sustainable investing," which is pandemic-proof.

In addition to the usual business metrics, the new breed of investors is picking stocks based on environmental, social, and governance (ESG) criteria. On the TSX, **Boralex** ([TSX:BLX](#)) is the top pick.

### Shelter in the pandemic

Boralex is proving that ESG stocks are resilient during a market plunge. The shares of this \$2.8 billion company are outperforming the general market. This ESG stock is up by 19.8% year to date.

The company is from Kingsey Falls, Canada. It develops, constructs, and operates renewable energy power facilities. The locations are in Canada, France, the U.S., and the U.K.

As of year-end 2019, Boralex had interests in 85 wind power stations. The total installed capacity is 1,795 megawatts (MW). Apart from wind, the company has 16 hydroelectric power stations (182 MW), two thermal power stations (47 MW), and three solar power stations (16 MW).

In the first quarter of 2020, Boralex reported a 46% year-on-year surge in net earnings attributable to shareholders. Growth was highest in wind power production in France (31% higher versus last year).

### Solid growth path

According to Patrick Lemaire, Boralex's president and CEO, the target is to hit 2,800 MW by 2023. The pipeline is strong, which presents a solid growth path. Boralex is pursuing a strategic plan that would further grow in the markets of North America and Europe.

Among the grandiose plans are bolstering Boralex's presence in the solar power sector and actively participating in the energy storage market. The company will also adopt new business models that directly target electricity consuming companies. The goal is to maximize synergies, optimize

operational costs, and seek diversification in funding sources.

Over the next five years, the annual growth estimate is 31%. If you want to ride on the momentum today, you can own the ESG stock at \$29.05 per share. Analysts are forecasting the price climb by 17% to \$34 in the next 12 months. Boralex is also a dividend payer, and the current yield is 2.24%.

## Ride like the wind

According to the International Energy Agency, wind energy sources can eventually produce 18 times the world's electricity demand. Therefore, the wind industry has significant growth potential. Since wind power is Boralex's domain, the company should benefit the most.

The COVID-19 pandemic is also changing investing appetites. It makes more sense now to invest in companies that have a positive impact on the world. Companies in the renewal energy industry, specifically, will become top-of-mind choices.

Investors won't mind the association with the sustainable investing strategy. Besides the growth potentials and positive returns from ESG stocks, there's a long-term impact on society, environment, and the overall performance of the business.

Give Boralex some thought if you're looking for a defensive and [long-term investment](#). It's not only the most significant independent wind power company in Canada but also France's wind power leader.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:BLX (Boralex Inc.)

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