



## 2 Top Energy Stocks to Invest in That AREN'T Oil

### Description

It's been years since investors could look to oil stocks for a sure thing. It used to be that investors could pretty much count on at least some share growth from energy stocks. These days, things are very different. It can't just be blamed on the pandemic either. Since 2017, and oil and gas trade war coupled with a glut in the Canadian west has created bottom-feeder prices. And there are many analysts you think it will get worse before it gets better.

There are a few factors to consider. First of all, there is the ongoing international war on oil production. It's taking a lot of convincing to stop Russia and Saudi Arabia from going ahead with regular production. Then there is getting the oil and gas out of the Canadian west and shipping it to the rest of the continent. That would take a lot of pipelines, but there is the other factor. Environmental restrictions are becoming more and more heavy, as they should. But even without environmental restrictions, there are community activists who believe pipelines should be put aside to protect the earth and the people who have a right to the land.

This is why economists believe oil prices are just going to continue declining from 2025 onward. The importance of the oil sector will continue to drop, as the world focuses its efforts on combating global warming and learning to take on new technologies.

So, while it can seem stressful to step away from oil, it should seem exciting to step into something new. That's where renewable energy stocks come in. If you're considering getting in on this market now, I would highly consider these two stocks first.

### Algonquin Power

What I really like about **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) is that while the company has a focus on renewable energy, it also is a part of the stable utilities sector. Even right now, with the economy continuing to struggle, Algonquin has seen stable earnings. Over the last two decades, the company has had enough cash coming in to maintain its growth-through-acquisition policy. This should hit another gear after the economy rebounds, as businesses may need to be sold to companies like Algonquin that will have the cash available to buy them up for a bargain price.

The company has a 14% compound annual growth rate (CAGR) over the last five years, making Algonquin one of Canada's leading utility companies. As for the future, the company has a projected annual growth rate of 6.5% from 2020 to 2024 is 6.5%. This is above the industry average of 4.6%.

The stock, meanwhile, has grown by 180% in the last five years and offers a [dividend yield](#) of 4.94% as of writing. So, you'll be investing in the future but buying a stable stock for your portfolio with Algonquin.

## Brookfield

**Brookfield Renewable** ([TSX:BEP.UN](#))([NYSE:BEP](#)) is a more exciting option for investors to consider. That comes down to growth. The company has a CAGR of almost 11% during the last five years. Analysts project that could continue to rise to 40% in the next five years as well.

Similarly to Algonquin, Brookfield has been undergoing a growth or acquisition strategy over the past decade. But unlike Algonquin, Brookfield has a huge backer behind it. **Brookfield Asset Management** is a multi-billion-dollar company that will support all of Brookfield Renewable's acquisitions. So, it's unlikely this company is going to go under anytime soon. It also means you can do a lot more investment in these new technologies as they come up. That can go straight into investor pockets through share growth.

Brookfield has had share growth of 90% over the last five years, and, like Algonquin, is almost at pre-crash prices. It also offers a dividend yield of 4.42% as of writing.

## Bottom line

Just because oil might be out the door doesn't mean there aren't [strong companies](#) investors can choose from. Both of these companies offer stable options now, with huge growth opportunities for the future. Both Algonquin and Brookfield will be excellent additions to any portfolio.

### CATEGORY

1. Coronavirus
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:BEP (Brookfield Renewable Partners L.P.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)

4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)

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## **Author**

alegategolfe

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