



3 Top Clean Energy Stocks to Buy and Hold Forever

Description

As the world moves towards a cleaner and greener future, there are a few companies that have gotten in early in the game. These companies are set to reap the benefits, as clean energy gets adopted on a global scale. As an investor, it always helps when the companies you invest in play their role in saving the world. Below are three companies that have tremendous potential for capital appreciation and make investors feel good.

This clean energy company has a yield of 4%

[Toronto-based Polaris Infrastructure \(TSX:PIF\)](#) is a clean utilities provider in Latin America. Polaris's numbers for the second quarter of 2020 were better on all fronts compared to the same period in 2019. The company reported \$18.9 million in sales compared with \$17.2 million in 2019. Its adjusted EBITDA was \$15.1 million compared with \$14.4 million.

The net loss came down to \$1 million compared with \$6 million loss in 2019. Cash flow was up to \$10.9 million compared with \$9 million.

Polaris also increased its power production to 165,541 MWh from 136,136 MWh in the same period of 2019. The company declared a quarterly dividend of \$0.15, which takes its dividend yield to 4%. Analysts have given the stock a price target of \$19.68 — upside of over 30% from current levels. The stock is a good buy when you consider the potential upside and the dividend payout.

Innergex Renewable Energy (TSX:INE) owns and operates solar, hydro, and wind power plants in North America, Chile, and France with a total capacity of 2.74 GW.

Innergex's revenues for the second quarter of 2020 increased 4% to \$150.5 million from the same period in 2019. EBITDA came in at \$105.3 million at a 79% margin, similar to the same period in 2019.

The company is poised for growth and, at \$22.33, already trades above its February price of \$21.76. This is one of the few stocks that has recovered from the market crash in March that affected all companies, demonstrating the belief that investors have in the stock. Innergex sports a dividend yield

of 3.23% and should be a permanent feature in clean energy portfolios.

A U.S.-based stock for diversification

Westport Fuel Systems ([TSX:WPRT](#))([NASDAQ:WPRT](#)) provides alternative fuel systems to the automotive industry across the Americas and Europe. These systems and components are designed for clean, low-carbon fuels like natural gas, renewable natural gas, propane, and hydrogen.

The company [reported its results](#) for the second quarter, and analysts were surprised that the stock reported a profit, even as revenues declined to \$36 million — 56% lower than the same period in 2019. The decline was a result of plant closures and reduce demand due to the pandemic. However, net income was \$3 million compared to a loss of \$2.6 million in 2019.

Matters appear to be taking a turn for the better, as regions open up and economic activity has gotten underway. CEO David Johnson said, “While the impact of COVID-19 on our Q2 results was significant, we are now in full recovery mode, with our factories responding to increasing market demand for our products.” Analysts have given a target of \$3.5 for Westport — upside of around 74% for the stock.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NASDAQ:WPRT (Westport Fuel Systems Inc.)
2. TSX:INE (Innergex Renewable Energy)
3. TSX:PIF (Polaris Renewable Energy)

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Author

araghunath

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