



This 3.36% Dividend Stock Has Over 100% Upside From Today!

Description

Last year, [TSX dividend stocks](#) took a serious hit with the February and March 2020 sell-off. Equity securities across the board seemed to fall off a cliff, regardless of fundamentals, as the pandemic-fueled sell-off frenzy ensued with the onset of COVID-19.

The swift market crash led to several high-quality dividend stocks trading at deeply discounted valuations and inflated dividend yields. A rapid recovery saw many opportunistic value investors rake in substantial profits.

Most indices in the equity markets are running at or near all-time highs right now. It may seem impossible to find high-quality dividend stocks that can still offer over a 100% upside from valuations today. However, there may be a dividend stock worth having on your radar that boasts a decent and sustainable dividend yield with the potential of massive upside.

Renewable energy play

There are few sectors I am bullish on for long-term upside besides renewable energy. It is no secret that the burgeoning green energy sector has been steadily rising for several years now. Canadian investors saw the sector take off last year, with multiple renewable energy stocks becoming top performers trading on the TSX in 2020.

High-growth tech stocks received most of the attention in the second half of 2020. However, many green energy companies like **Brookfield Renewable Partners LP** ([TSX:BEP.UN](#))([NYSE:BEP](#)) went about and posted impressive numbers last year.

Brookfield is my top pick in terms of its growth potential over the next decade, and it is trading for a discount at writing. The \$12.8 billion market capitalization company's shares were up by over 200% between May 13, 2016, and January 22, 2021. Brookfield Renewable Partners is trading for \$44.49 per share at writing, representing an almost 30% discount from its January valuation.

While it might be too much to expect the stock to double 200% in the next five years, it is not entirely

out of the question for this green energy giant. Brookfield Renewable provides a convenient way for investors to gain exposure to one of the world's largest publicly traded renewable power platforms.

Brookfield Renewable is also an excellent investment for dividend-seeking investors. The utility has increased its cash distribution at a compound annual growth rate of 6% since 2012. Such income growth consistency is valuable to income-seeking investors who want growing payouts in the long run.

Foolish takeaway

Brookfield Renewable Partners invests in, develops, and operates a geographically diversified portfolio of renewable energy assets. Its portfolio consists of about 66% hydroelectric power generation facilities, followed by wind- and solar-powered generation.

Brookfield Renewable is considered the cream of the crop among renewable utilities. The 30% discount presents an excellent entry point on the dip. The decrease in its valuation also represents a decent 3.36% dividend yield that you can lock in right now. It could be a good addition to your portfolio for [decent dividend income](#) and stellar long-term gains to become a wealthy investor.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)

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