



Saving for Retirement? This Is 1 Stock You'll Want in Your Portfolio

Description

Saving for retirement is one goal that most Canadians will eventually need to begin planning for during their lifetime. The actual end goal may vary significantly, depending on your lifestyle. One common theme, though, is that you will typically need many years to save to let compound interest work its magic to reach your goal.

In addition to how long Canadians need to save for, a common question is, what type of funds should you be investing in: bonds, mutual funds, exchange-traded funds (ETFs), individual stocks? Canadians have plenty of options to choose from when it comes to investing for their retirement.

ETFs are excellent funds to build long-term wealth. Investors can expect to earn an average of 10% annual growth from top Canadian ETFs. The beauty is that there are funds built around all different types of investments. If you'd prefer to invest in American-based companies, the **Vanguard S&P 500 Index ETF** is a great choice.

What about investing in stocks?

For Foolish investors looking to take their investments into their own hands, individual stocks have the potential for driving the highest returns. Although riskier than the previously mentioned list of retirement fund options, stocks can provide the highest upside.

There is also no shortage of public companies that have consistently outperformed the **S&P/TSX Composite Index**, including **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)).

Brookfield Renewable Partners

The \$12 billion company is one of the largest renewable energy providers in the country. Brookfield Renewable Partners generates energy through wind, solar, hydroelectric, co-generation, and biomass sources.

The rising demand for renewable energy across Canada should only allow the company's stock to continue to outperform the broader market for many more years. An estimated worldwide \$1.5 trillion

was invested in the renewable industry over the past five years, and [Bloomberg expects that to more than double](#) over the next five years.

What really makes Brookfield Renewable Partners an ideal long-term stock to own in an investment portfolio is that it can offer investors an attractive mix of growth, stability, and income. The growth and stability are derived from being a market leader in an industry that is expected to grow considerably over the next decade. The stock can also be considered a reliable income payer, as Brookfield Renewable Partners is a Dividend Aristocrat.

Dividend yield

Paying out \$2.96 per share annually, the dividend yields a very attractive 4.6% at today's stock price. A \$50,000 investment made in Brookfield Renewable Partners shares today would earn investors a quarterly dividend cheque of \$575.

The company currently has a [dividend-growth streak of 11 years](#). The most recent dividend increase was by 8.75%, and management plans to continue to grow the annual distribution at a rate between 5% and 9%.

Foolish bottom line

It may be easy to put off planning for retirement when you may be decades away from actually retiring. But when it comes to building wealth, time is one of your biggest allies. Once you've determined an approximate goal and end date, the fun part begins: investing.

There are funds to match every investor's objective and risk tolerance. For the hands-off Canadians that would like to continuously buy the same fund over and over, an ETF is most likely your best choice. For Foolish investors that get excited about buying shares of their favourite companies, investing in individual stocks is your best bet to earning market-beating returns over the long term.

CATEGORY

1. Energy Stocks
2. Investing

POST TAG

1. brookfield renewable partner
2. Editor's Choice
3. energy stocks
4. ETFs
5. exchange traded funds
6. retirement investing
7. retirement planning

TICKERS GLOBAL

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

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

PARTNER-FEEDS

1. Business Insider
2. Koyfin
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4. Newscred
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Author

ndobroruka

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