



RRSP Investors: How to Turn a \$50,000 Portfolio Into \$1 Million

Description

The Registered Retirement Savings Plan (RRSP) account is the [primary account that Canadians use to save for retirement](#). Introduced in 1957, the account allows Canadians to claim RRSP contributions as a tax deduction on their income tax.

A major difference in comparison to the Tax-Free Savings Account (TFSA) is that RRSP investors are taxed on withdrawals. The good news is that Canadians have the option to invest in both RRSP accounts and TFSAs.

The bigger question often comes down to what type of funds should investors be buying in their savings accounts? Canadians have all sorts of options, including bonds, mutual funds, or stocks, to name a few.

If you're going to invest, forget trying to time the market

You can make investing as easy or as difficult as you'd like it to be. There's absolutely nothing wrong with owning a few different exchange-traded-funds and adding to those over the long-term. For Canadians who are willing to spend more time and energy on building out their portfolio, [look to invest in stocks of individual companies](#).

Many news headlines are reading today that we're headed for a second wave of the COVID-19 virus. While this may unfortunately be a possibility, do not let this affect your long-term investing thesis. Rather than waiting on the sidelines frantically trying to time the bottom of the market, now is the time to stay calm and continue to add solid market-leading companies to your RRSP portfolio.

I've covered a top energy company with an extremely rich history of driving market-beating returns. For investors looking to turn a \$50,000 portfolio into \$1 million, investing in this stock would be a great place to start.

Investing in renewable energy

Brookfield Renewable Partners LP ([TSX:BEP.UN](#))([NYSE:BEP](#)) is one of the world's largest renewable energy providers. The company serves customers across the globe, owning more than 5,000 generation facilities and more than \$50 billion in assets.

Known primarily for generating energy through wind, solar, and hydroelectric sources, Brookfield Renewable Partners LP is [leading the charge in green and renewable energy](#) today. A recent merger earlier this year with **TerraForm Power** has only helped Brookfield Renewable Partners LP solidify its position as a top renewable power company in the world.

The company has a strong track record of outperforming the broader Canadian market. In comparison to the **S&P/TSX Composite Index's** return of 45% over the past decade, Brookfield Renewable Partners LP has returned more than 250% to shareholders in that same date range.

The renewable energy provider owns a dividend growth streak of more than 10 years. The dividend yield is equally as impressive, which is 3.95% at today's stock price. The dividend pays shareholders an annual payout of \$2.35 per share.

Foolish bottom line

For Canadians looking to save for retirement, the RRSP account can offer many benefits to long-term investors. While the account may differ from a TFSA, investors need to remember that there is no right choice when it comes to selecting savings accounts, and there is definitely no restriction from owning both a TFSA *and* an RRSP.

Investors that are looking to take control of their portfolio and own individual stocks, Brookfield Renewable Partners LP is an excellent choice to own in an RRSP.

The company has shown that it can consistently deliver market-beating returns over the long-term, and is a market leader in an increasingly growing industry.

CATEGORY

1. Energy Stocks
2. Investing

POST TAG

1. brookfield renewable partner
2. retirement savings
3. RRSP account

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