



Telus Corporation Is an Investment for the Future

Description

Telus Corporation ([TSX:T](#))([NYSE:TU](#)) is the second-largest wireless carrier in the country with 8.5 million subscribers. Telus also happens to be one of Canada's fastest-growing telecommunications companies with Internet, phone, and wireless services being offered to both consumer and business segments.

Telus is a solid investment. The company has a massive network that is constantly being built up and forms a competitive standpoint that makes it very costly and improbable for a new competitor to emerge and take Telus's piece of the pie.

What truly impresses me about Telus is that it is making investments in new areas that could spell significant revenues in the future. What's even better is that these new revenue streams will not disturb the company's business model, which will continue to show growth as well.

Let's take a look at some of the areas where Telus is improving and expanding.

Telus and the Internet of Things (IoT)

Telus is not usually mentioned with the IoT, but that will no doubt be changing after a series of announcements and investments the company has made recently.

The IoT is the idea of our everyday devices connected to the Internet and to each other, feeding information and updates and between each other and to us. The possibilities are nearly endless; industry experts note that the IoT could be a multi-trillion dollar market within the next five to seven years.

Telus was an IoT pioneer in Canada, launching the first online business marketplace for IoT a little over a year ago. Since then, other competitors have started offering IoT services, and the Canadian market is expected to encompass 45% of businesses in the country, reaching a value of over \$13 billion in the next few years.

Telus is upgrading and investing in Ontario

Telus is currently working on expanding capacity and extending its network further into rural areas across Ontario, expanding 4G and LTE-advanced speeds throughout the province. Telus will also build the company's fibre optic network.

The company announced an investment of \$245 million in the province this year and will be investing a total of \$1 billion through 2019.

Keep in mind that this investment will enhance Telus's core business, which recorded revenue growth of 2.8%, or \$3.217 billion, in the most recent quarter.

Telus also pays one of the best dividends in the market. The company currently pays out \$0.44 per share quarterly, giving the stock a yield of 4.33%. The company has also raised the dividend twice per year for the past several years, so further increases seem likely.

In my opinion, Telus remains a great investment opportunity for those investors not only looking for dividend income but also long-term growth.

CATEGORY

1. Dividend Stocks
2. Investing

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