



Telus Corporation Is an Investment for the Future

Description

When it comes to selecting a company for your portfolio, future growth indicators are an important part of the selection process. Let's state the obvious: picking a company that has performed great in the past is fine, but it does not necessarily mean the company will be in the same position in one or three years from now.

Fortunately, this is where **Telus Corporation** ([TSX:T](#))([NYSE:TU](#)) really shines. The company already has a reputation as being a great investment with a dividend payout, but, most importantly, the company is a stable investment with huge growth potential.

Here's a look at Telus and why you should add the company to your portfolio.

Telus is investing in the future

The IoT (Internet of Things) is set to be one of the biggest technological revolutions since the advent of the Internet itself. The concept behind the IoT is simple; billions of everyday devices can connect to the web and to each other and feed information and complete simple tasks.

Industry experts claim that the IoT could be a multi-trillion dollar market within the next five years.

Telus was an early adopter of IoT in Canada, launching the first business marketplace over a year ago. Since then, a number of other competitors have begun to offer similar services. The Canadian market is set to encompass 45% of businesses with a value of over \$13 billion within the next few years.

To reach these goals and build for the future, Telus is actively working on expanding capacity of its 4G and LTE-advanced speeds by upgrading infrastructure and building out the fibre optic network in Ontario. Telus has so far planned to invest \$245 million this year and plans to invest a total of \$1 billion through 2019.

Telus is expanding the core business

The Saskatchewan government recent commented on possibly putting the crown company, SaskTel

up for sale. That sale could spark a bidding war between both Telus and **BCE Inc.**

Earlier this month, BCE announced that it would be acquiring **Manitoba Telecom Services Inc.** in a reported \$3.9 billion deal. Part of that deal will ultimately require BCE to sell nearly a third of the subscribers to Telus.

Looking offshore, Telus recently announced the sale of part of the company's international cell centre and outsourcing subsidiary, Telus International, to an Asian private equity firm. Telus can expect to receive approximately \$600 million from that deal. Telus International will still be 65% owned by Telus.

Dividend payouts

Telus arguably has one of the best dividends on the market. The company currently pays out a quarterly dividend of \$0.46 per share, giving the company a very attractive 4.49% yield. The company has consistently increased the dividend over the course of the past few years, and there is little reason to suspect that this trend will end anytime soon.

While Telus did report weak quarterly results recently, the fact remains that the company is growing and making investments for the future that will result in significant revenue gains. In my opinion, investors looking to invest in a stock that offers a great dividend and long-term growth prospects will be pleased with the performance that Telus will provide.

CATEGORY

1. Investing

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