



This Incredible, Stable Investment Yields Over 7%

Description

If I were to tell you that there is an investment on the market today that operates in a [defensive environment](#) immune to market volatility, has a stable source of recurring revenue that is set to see immense growth over the next few years and also currently offers a mouth-watering dividend that is currently sitting with a yield north of 7%, would you be intrigued?

Incredibly, that's not even the best part that awaits those willing to invest in **TransAlta Renewables** ([TSX:RNW](#)).

Calgary-based TransAlta is a true behemoth in the renewable energy sector, with an impressive portfolio of 34 renewable energy facilities scattered across 10 operating regions in the U.S., Canada, and Australia.

In terms of energy composition, those facilities comprise wind, hydro, gas, and solar elements, making the company a diversified option for investors looking to benefit off the growing renewable-energy sector.

That sector is set to see impressive growth over the next few years, particularly as existing fossil-fuel facilities approach end-of-life and many are replaced by more efficient and cleaner renewable energy facilities.

Even better is the fact that those facilities are mostly regulated and are subject to long-term power-purchase agreements that can span a decade or more in duration. What that means for investors is a steady stream of reliable revenue for the company that feeds TransAlta's impressive dividend I mentioned earlier.

Q4 and full fiscal year results are in

TransAlta reported results for the fourth-quarter and full year of fiscal 2018 earlier this month, which once again showcased the strength and opportunity for investors.

Comparable EBITDA for the fiscal came in at \$430 million, coming in \$6 million higher than the previous fiscal. Looking just at the fourth quarter, TransAlta reported \$133 million in comparable EBITDA, coming in \$15 million higher than the same quarter last year.

Net earnings attributable to common shareholders for the fourth quarter and full fiscal came in at \$93 million, or \$0.35 per share and \$236 million, or \$0.92 per share, reflecting solid gains over the \$33 million, or \$0.13 per share and \$9 million, or \$0.04 per share reported in the prior periods.

Looking forward to fiscal 2019, TransAlta is forecasting comparable EBITDA to come in between \$425 million to \$455 million for the full year, reflecting solid growth over the \$430 million reported for the current fiscal.

What should you do?

While TransAlta is no longer trading at the lows that it was during the market slump at the end of 2018, the company is still trading at levels that are appropriate, if not somewhat attractive considering the immense opportunity for growth that lies ahead for the company.

If for no other reason, opting to invest in TransAlta just for that juicy dividend may be more than worth it on its own. Buy it, forget about it, and [get rich](#) while helping to save the planet.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. TSX:RNW (TransAlta Renewables)

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Author

dafxentiou

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