



Buy This 1 Stock to Profit From Climate Change!

Description

At the end of the day, climate change is going to happen whether we want it or not.

Instead of sitting on your couch and moping around at home, you might as well put your hard-earned money in a stock that delivers a decent dividend yield coupled with an increasing share price.

The company I am referring to is **Pattern Energy** (TSX:PEGI)(NASDAQ:PEGI), which is a leader in the renewable energy industry. The company has a myriad of projects under its control, which include wind power projects located in the United States, Canada, and Chile.

The company's main source of revenue comes from the United States, where it sells electricity to utility companies under long-term, fixed-price agreements. This is a huge plus, as it means its current and future revenues are somewhat predictable.

Pattern Energy deserves your investment based on a high dividend yield and its increasing operating cash flow.

High dividend yield

Firstly, [let's talk about Pattern Energy's dividend yield](#) of 6.30%! It is pretty much giving out money at this point.

The main reason why Pattern Energy's dividend yield is so high is because it pays out its dividend in U.S. dollars, which means at its current dividend of US\$0.422, investors are receiving CAD\$0.560. Talk about a good deal!

Further to its high dividend yield, the company's share price has increased 39.9% year to date. That means a \$10,000 investment made at the beginning of the year held to today would result in capital gains of \$3,990.

With the company achieving profitability in fiscal 2018 for the first time in the past five years, investors

should be excited to invest in Pattern Energy [as it continues growing its profitability](#).

Increasing operating cash flow

Despite the company dropping the ball when it comes to net income, Pattern Energy's senior management does a good job running the business.

An important financial metric that is used by those in the industry is operating cash flow. Operating cash flow is a measure of how much cash is generated from the company's operating activities, which, in this case, consists of the selling of electricity to utility companies.

Pattern Energy's operating cash flows increased from \$110 million in fiscal 2014 to \$279 million in fiscal 2018, which is tremendous growth.

A company with increasing operating cash flows demonstrate that it is a growing business and its operations are efficient. This is directly attributed to senior management.

Given its current debt and capital lease obligations of \$254 million, the company generates enough cash from operations to cover this amount, which indicates it is somewhat self-sustaining.

Bottom line

With climate change being in the news almost every day, isn't it time that you tried to turn a bad situation into a good one?

With a dividend yield of 6.30% and a share price that has increased almost 40% year to date, an investment in Pattern Energy would mean both capital gains and dividend income.

As its operating cash flow grows as well, Pattern Energy has demonstrated that it is a well-managed company with a senior management that is focused on delivering superior shareholder returns through greater operational efficiency and growing the business.

Pattern Energy is a must.

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