



1 Resurgent Energy Stock to Add to Your 2019 Q4 Portfolio

Description

Since the fourth quarter is at hand, the time is ripe for picking an [outstanding dividend stock](#) to end 2019. One [energy stock](#) that is worthy of consideration is **AltaGas** ([TSX:ALA](#)). In case you already own the stock, hold on to it. The company could potentially make a turnaround.

Dividend growth is looming

AltaGas is a valuable addition to your last-quarter portfolio, even on limited exposure. This \$5.34 billion oil and gas midstream company is making all the right moves to improve the balance sheet. The recent sale of the non-core assets will allow AltaGas to realize its plan to be a regulated entity.

The company is investing in a utility asset, and if it proves successful, the rate of return will be incredible. Profits will eventually seep into the company. Hence, prospective investors could expect a dividend increase in 2020.

The price of AltaGas is reasonable at \$19.28, with a complementing dividend of 4.98%. Analysts are also forecasting the price to climb by 29.67%, because the company is making progress pruning assets, paying down debt, and stabilizing the balance sheet.

Growth prospects

With expectations of a significant leverage reduction, this North American energy infrastructure company is turning out to be an attractive buy. It has a great management team that's steering the ship.

From 2019 to 2023, AltaGas will be spending around \$425-\$500 million as part of its five-year capital-investment program. The goal is to enhance growth in the coming years and have the financial capability to support future dividend increases.

AltaGas is writing a new success story with the sale of its non-core assets. You can purchase AltaGas not just for the dividend alone. The company expects to realize a 25% growth this year and 17.1%

annual growth in the next five years.

The growth estimates are somewhat on the conservative side. AltaGas is making a major comeback, as seen from the strong earnings growth in the past several quarters. The stock is also performing better than expected.

Although AltaGas lost some of the revenue sources with the sale of the non-core assets, its core businesses will experience steady growth from here on out. The company is dedicating most of its resources to highly profitable operations. Soon, this shift in focus will drive would drive earnings growth.

Stock to watch in 2020

There are strong indications that 2020 will be a banner year for AltaGas. Because it is now a highly diversified energy and utility company, the period of financial struggle is over. Generating a stable revenue stream won't be a problem, and there is plenty room for growth on the horizon.

Don't miss the chance of riding on this momentous chapter of AltaGas's corporate existence. After falling deep in the last four years, the long-awaited return to prominence is finally here. AltaGas has nowhere to go but up. Exciting times are ahead for both the company and investors.

The bullish sentiment on AltaGas is understandable, and so is the recommended buy rating.

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