



## This Stable Investment Will Make You Rich

### Description

**Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is your classic buy-and-forget investment. One is one of the largest utilities in North America, Fortis has over \$57 billion in assets spread across 10 different regions in the U.S., Canada, and the Caribbean. That impressive footprint makes Fortis a stable investment option, but is that good enough?

Here's what investors should really be looking at when it comes to selecting a utility stock.

### Fortis offers a stable revenue stream during a volatile time

There's no escaping the impact that COVID-19 has had on the market. The pandemic has changed where and how we do business, even altering social norms we took for granted. From an investment standpoint, utilities are a welcome change from such [volatility](#).

Fortis' business consists of 3.3 million utility customers across electric and gas segments. Those services are both necessary and regulated, meaning that they provide a stable and recurring stream of revenue. Long-term contracts that span a decade or more in duration set out the terms of those services, adding another layer of stability.

That stability is evident, even in an unprecedented time of uncertainty. In a quarterly update provided this month, Fortis reported adjusted net earnings of \$315 million, or \$.068 per common share. By comparison, in the same period last year, Fortis reported \$316 million, or \$0.74 per common share.

### That stability provides income-earning potential too

One often-mentioned reason for investing in Fortis stems from the company's attractive quarterly dividend. Fortis currently offers investors a quarterly payout that works out to a respectable 3.69% yield.

Fortis' yield is not the highest on the market, nor the most attractive. Additionally, investors have historically steered clear of utilities because of their reputation as investments that lack growth.

In recent years, Fortis has demonstrated how it differs from that stereotype. A series of consecutively larger acquisitions allowed the company to expand into new markets and establish new revenue streams — an aggressive stance to expansion that's helped Fortis continue providing investors with annual dividend hikes.

In fact, Fortis is one of just a handful of companies that can boast over four decades of consecutive, annual dividend hikes. Again, Fortis provides stability in a sea of [uncertainty](#).

That factor alone makes Fortis a stable investment option to buy and forget about for a decade or more.

## Final thoughts

Fortis is an excellent long-term investment that provides a necessary and stable service. That necessity and stability are key points to factor in times of uncertainty.

Fortis has already fared better than many of its peers during this downturn. By example, Fortis is down just over 4% year to date, while the market overall is down by nearly 15%.

Throw in that steadily growing dividend and you have an investment that can provide years of stable growth and income-earning capability.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

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1. NYSE:FTS (Fortis Inc.)
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