



Passive-Income Seekers: Get Greedy With This 8% Yield Income Fund

Description

Motley Fool investors have dealt with a lot of excitement on the marketplace right now. And, frankly, aren't you over it by now? The market should be a boring place, and we're surrounded by dips and dives that make it far more exciting than it should be.

Luckily, there are still some boring stocks out there that Motley Fool investors can buy for stable growth. And not only that, investors can get super greedy and find boring stocks with sky-high passive income. Today, I'm going to focus on the most boring stock I could find with the highest yield.

Boring and beautiful

Chemtrade Logistics Income Fund ([TSX:CHE.UN](#)) serves [industrial chemicals](#) and services across North and South America. It both provides these industrial chemicals as well as services such as processing by-products and waste streams. And luckily, these chemicals are needed across the world in everything from pulp and paper products to water treatment.

Chemtrade is now on the rebound after falling during the pandemic. Reopening has meant a surge in demand for industrial products, but that's climbing even higher with the focus on industrial services lately. And that's exactly what analysts like about the boring stock.

In particular, at least one analyst has identified the tailwinds for ultra-pure acid and hydrogen. This comes from the demand for semiconductors that need ultra-pure acid, and which is expected to double in the next five years. Furthermore, green hydrogen commercialization will help its hydrogen growth as well.

Strong results

It seems like Chemtrade is now going through a turning point that analysts are keen to pay attention to. Not only does it have these growth opportunities, but new chief executive officer Scott Rock has been finding operational efficiencies of up to \$10 million annually.

This led to a strong fourth quarter a few months back, with revenue up to \$353.8 million with higher sales volumes in electrochemicals. It also included higher selling prices for its acid and sulphur products. Adjusted EBITDA came in at \$92.5 million — more than *double* the year before.

The same tailwinds should deliver a strong first quarter as well, with analysts targeting \$77 million in first-quarter EBITDA. That quarter is due out the beginning of next month.

A solid investment

With growth opportunities coming in, prices going up, and efficiencies coming down the line, it's a great time to consider Chemtrade. Plus, it currently trades in value territory at 2.12 times book value. And, of course, as I mentioned in the title, it offers a substantial [dividend yield](#) of 8% as of writing.

And that's one you likely want to lock in, as the company has a target price of \$9.50. That would represent a potential upside of 23% as of writing. And while you wait, it would mean an investment of \$10,000 in Chemtrade today would bring in \$770 in annual passive income!

So, yes, chemicals may be boring. And Chemtrade may have had boring performance over the last while. But boring is not just good; it's excellent. Right now, it's a perfect chance to lock in this boring stock for its ultra-high passive income.

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