



Stock Rating Watch

Insights On Prospect Capital (PSEC)

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The so called Brexit had thrown most markets around the world in turmoil and in such uncertain times, investors are inclined to do more work in identifying stocks that have the

right potential to bounce back. For Prospect Capital stocks though the long term play is always the best strategy and analysts in wall street have weighed in on where they see the stock going in the near future.

For most investors company earnings are always a good indicator of the direction a stock is taking and at the moment, Prospect Capital is looking at an EPS of \$0.25 in its next earnings report that will be out on

August 24. The EPS for the same quarter last year was also \$0.25 and according to Zacks research the gap between estimate and actual number in the last predicted earnings was just -0.01.

Sell-side analysts on Wall Street have also placed a one year price target of \$8.3 for the stock and this is actually a consensus from 5 firms that released their analysis and insight on the equity over the last few days. ▶



Some bullish analysts have also predicted the stock to hit \$9.5 per share this year while bearish analysts are looking at a price of \$7. Either way, Prospect Capital Corporation (PSEC) shares are looking steady despite the fact that most stocks in this category took a tumble all thanks to the Brexit vote. The Prospect Capital Stock has also managed to retain an average of 3 from five analysts in a scale of 1 to five where 1 means strong buy and 5 means strong sell.

Why Invest On Prospect Capital Corporation (PSEC)

Prospect Capital Corporation (NASDAQ: PSEC) provides private debt and private equity to middle market companies based in the United States. The Business

Development Company (BDC) is publicly traded in the NYSE and offers investors a number of solid reasons to invest. The following are some of the reasons why you should invest with Prospect Capital Corporation.

Large and Diverse Asset Pool

Prospect Capital Corporation (NASDAQ: PSEC) is one of the biggest BDCs in the world with over \$7 billion of available capital. The company provides private flexible debts to solid middle income companies and there is a wide range of assets for investors to look into.

Strong Focus On Secured Lending

The lending process at Prospect Capital Corporation (NASDAQ: PSEC) is based on strong analysis with the

sole purpose of offering secured debt to promising high potential companies. This reduces the risks of bad debt significantly.

High Dividend Yield

Historically Prospect Capital Corporation (NASDAQ: PSEC) has paid very attractive dividend yields to its shareholders from the income generated through its debt and equity investments. The current monthly dividend for PSEC shareholders is \$0.83333 per share which translates to an annual dividend yield of 13.5%

Significant Discount To NAV

The Prospect Capital Corporation (NASDAQ: PSEC) stock is currently trading at a very significant discount to NAV. At the moment, the PSEC stock is going at a 23% discount to Net Asset Value per share.

Solid Returns

Operating returns for Prospect Capital Corporation (NASDAQ: PSEC) have been far more superior compared to other BDCs. 1 year, 5 year, and 10 year median returns for the company have been relatively better compared to other companies.

In Conclusion.....

For quite some time the Prospect Capital Corporation (NASDAQ: PSEC) stock at the NYSE has seen some ups and downs but the long term prospects especially for this year are solid. Investing on the company offers diverse opportunities for capital appreciation and with the current stocks trading at a significant discount to nav, it might just be the right time to grab some prospect capital corporation (NASDAQ: PSEC) shares.

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