General Electric Reaches Out and Up

General Electric ([GE](http://www.nyse.com/about/listed/lcddata.html?ticker=GE)) has recently announced that it will be supplying [43 wind turbines](http://www.bloomberg.com/news/2012-11-08/ge-to-supply-43-wind-turbines-in-turkey-to-fina-enerji-projects.html) to Turkey based Fina Enerji. It hopes that it will generate nearly 20,000 more Megawatts in 2013 adding to its already commanding force that GE brings to the market. Turkey’s energy needs are expected to grow by 6% over the next year, which solidifies the projected models of GE.

The healthcare side of GE has also recently undergone a change and has [absorbed U-Systems](http://finance.yahoo.com/news/ge-healthcare-acquires-u-systems-140000528.html), which is a leading manufacturer of ultrasound products designed for applications geared towards monographic testing and early detection of breast cancer. By GE’s ability to diversify throughout markets gives it an advantage over other companies.

Over the last 10 years GE has continued to be a leader in the renewable energy field and has recently activated its 20,000th wind generated turbine. This boosts their potential power generation well above other companies and could even provide power to both London and Hong Kong for a full year. After looking at global data for the last four years, the market for wind-generated power is up nearly 40%. This type of growth being seen in just one of GE competitive markets indicates that investment potential remains secure. When GE began utilizing wind power in 2002, they effectively set the standard for market-wide progression and a shift in focus. GE continues to develop methods of studying and boosting the reach of wind power as global markets are looking for alternatives.

With projects slated for 2013 aimed at the construction and activation of nearly 3,000 more wind turbines across the globe, GE is standing by its proven methods of competitive and innovative growth. It remains in the top six companies in the United States and has annual profits that keep it in the top 14 companies in its competitive market.

Competitors like 3M ([MMM](http://www.nyse.com/about/listed/lcddata.html?ticker=MMM)) and United Technologies ([UTX](http://www.nyse.com/about/listed/lcddata.html?ticker=UTX)) have created an improved market presence. GE may look more eye-catching by its offering of a dividend yield of 3.3% but in reality with all three companies being comparable to the market average on Price/Earnings, investing in anyone seems to be a good idea.

What is setting GE apart though is the diversity of the company. MMM has a market focus on manufacturing creative products. It has recently seen a sharp decline over the last few weeks spurring speculation within the market and was reflected in many competitors. UTX has chosen to focus its energies on the research and development of new technologies. However it has recently run into troubles. It has been implicated in a lawsuit, initiated by shareholders, citing [violations of federal arms trade embargos](http://www.businessweek.com/news/2012-11-07/united-technologies-directors-sued-over-china-export-fines). Allegedly, it has been developing a helicopter prototype with the help of the Chinese manufacturers. Due to the release of this information UTX stock fell 2.9%. This puts GE in a unique position to capitalize fluidly throughout many of its diverse markets.

An example of the way GE maneuvers throughout markets is seen by the recent partnership with Clean Energy Fuels ([CLNE](http://www.nyse.com/about/listed/lcddata.html?ticker=CLNE)). They have announced that the partnership will be a “collaboration to expand the infrastructure” of existing CLNE operations and creating more alternatives to oil consumption by using liquid natural gas, LNG, fuels for commercial fleets in the United States and Canada. After this announcement CLNE saw a dramatic [jump in stock prices](https://www.google.com/finance?q=NASDAQ%3ACLNE&ei=hg2lUIDbNZL3rAGDdw) going up nearly one dollar per share over the course of the day’s trading. GE has pledged nearly $200 million and released 2 MicroLNG plants to CLNE. The hope is that this will generate a new fuel and fueling stations for eighteen-wheelers that are specially designed and manufactured to accept this alternative fuel. This uptrend for both companies is expected to continue over the course of trading for the next several months.

So after evaluation of current trends, this analyst is recommending for investors to “hold” or “buy” GE stock. It has a diverse company profile that stretches across many markets which allows for it to remain solid if one market should decline suddenly. The dividend payout is above market average for its competitors making it a quick and simple return on investment. Though the company had a dramatic decline in late 2008, it has shown steady and calculated growth since 2009. Looking at that alone however does not tell the whole story. It is important to consider the growth that is planned for the next fiscal year and the company’s investments in other markets as seen with cancer detection equipment and maintaining and building its influence in the alternative fuels arena. GE also continues to display company strength showing that it can be a leader in the field of wind energy and also an assured business partner in alternative fuels manufacturing and transportation.

As the company is continuing to grow so will the profits. Despite market analysis showing slightly higher Price/Earnings of 14.95 with a market average of 15.9 and Debt/Equity ratios well above market average of 1.9 to the market’s .08, GE is remaining motivated to long term growth and company stability. With a $219 billion dollar market cap, GE has a unique influence over their competitors in the market and, in essence, this allows them to dictate the future direction of the market.