



Is It Too Late to Invest in TC Energy (TSX:TRP)?

Description

In an industry plagued by poor performance, **TC Energy Corp.** ([TSX:TRP](#))([NYSE:TRP](#)) has come out like a light at the end of the tunnel. While last year wasn't as great for this pipeline company, 2019 has proven to be a completely different story.

Shares in TC Energy are already up almost 40% year to date as of writing, with analysts still believing the stock has about 4% more room to grow just to reach fair value.

But while this stock is considered to continue doing well, bargain hunters might start to worry that they've missed the boat on getting in on TC Energy. So let's take a look at what investors should consider before purchasing shares in this company.

Pipeline power

There are two things to consider in the pipeline industry when it comes to TC Energy. Last year, there were a lot of fears surrounding the company, especially with the uncertainty of the [Keystone XL pipeline](#), of which much of the growth was dependent on for TC Energy.

Those fears still linger among investors, but seem to be subsiding now that it's almost a certainty that Keystone will be built.

The second point to consider is the oil and gas industry's poor performance. Oil has been set at a heavy discount, and that seems to be continuing, causing investors to think that any investment in this industry right now could prove problematic.

However, analysts argue this means pipelines are needed more than ever. Right now, companies want to explore and produce more oil, but can't because of the lack of means to transport it.

However, as more and more pipelines are built, this problems should disappear, making companies like TC Energy set up for a comeback.

Future growth

That comeback could be enormous given what TC Energy has in store for the next few years. The company has \$38 billion set aside in commercially secured capital growth projects, and a huge part of that is Keystone XL.

However, the company also has \$7 billion of that total in projects set to be completed by the end of the year. Investors should thus see further growth continue throughout the next year at least, with Keystone likely to be completed sometime in mid-2021.

Another area where the company expects growth is south of the border – very far south. TC Energy has been making deals with both Mexico and Colombia, creating a much more diverse portfolio than its peers that focus mainly on the Canada-United States markets.

So is it a buy?

Here's the thing. Right now, TC Energy has made a huge comeback since the beginning of the year, and it has pretty much [reached fair value](#). So for those looking to get in on a cheap stock and watch it sky rocket in the coming year, you might not get that with TC Energy.

But as for it being a buy, absolutely. This is a strong stock with an incredible amount of future potential, with analysts predicting that it could rise to \$80 per share in the next 12 months — a potential upside of about 18% as of writing.

That growth should continue for decades more, as the company continues to expand its growth portfolio and the oil and gas industry rebounds.

If you're looking for a bargain, a recession is still coming so a dip could be in the cards for TC Energy. However, looking at its peers, that dip won't be around for long and won't be as low as some of its competitors in the industry.

Getting in now therefore wouldn't be a bad option, especially seeing as how this company is likely to continue on its steady upward trajectory for decades more.

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