

Suncor staying on the sidelines

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) is the most influential oil sands company in Canada, but this has not translated to an aggressive stance in the sector. In fact, Suncor officially supports the Pan-Canadian Framework. While the Scheer conservatives have branded themselves the “champions” of the energy sector, Suncor currently supports the liberal climate plan.

Suncor announced in September that it would invest \$1.4 billion to upgrade its Oil Sands Base Plant near Fort McMurray. This will involve the construction of two natural gas co-generation units that will replace three petroleum coke-fired boilers. The company says that the investment will cut its greenhouse gas emissions associated with its steam production by 25%.

Shares of Suncor have climbed 6.1% in 2019 as of close on October 10. The company has a progressive outlook on climate change, but it has been aggressive in counter-signalling Alberta's production curtailment policy. Alberta's new United conservative government has said that it will keep curtailments in place until 2020, but is gradually easing oil production limits for producers.

Previous Suncor CEO Steve Williams projected that Suncor's oil sands business would still be thriving in a century from now. The company is clearly positioning itself to adapt in the push for clean energy.

Suncor is a stock to bet on regardless of how this election turns out. Shares possess a favourable price-to-earnings ratio of 12.3 and a price-to-book value of 1.3. Its stock offers a quarterly dividend of \$0.42 per share, representing a 4.3% yield.

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