



Enbridge (TSX:ENB) Is a Top-Performing Stock

Description

Is [your portfolio diversified](#)? Finding the right mix of income and growth-focused stocks can be a daunting and tiresome task. Investors are often left to choose between conflicting growth and income goals. But what if there was an investment that could offer both? **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is a top-performing stock that caters to both goals while also providing a superb defensive moat.

What makes Enbridge a top-performing stock?

Let's start by saying that Enbridge is huge. The energy infrastructure behemoth is primarily known for its massive pipeline network. That pipeline network is responsible for transporting one-quarter of all the crude oil produced on the continent. Additionally, Enbridge hauls one-fifth of all the natural gas consumed by the U.S.

Incredibly, that's just one segment of the company. Enbridge also boasts a growing renewable energy suite of offshore wind farms, as well as operating the third-largest natural gas utility in North America.

Let's unpack those segments for a moment, starting with the pipeline business.

Enbridge has it all – growth and income

Enbridge's pipeline business is in a word, lucrative. The segment is often compared to a toll-road network, and for good reason too. In short, the price that Enbridge charges for the crude and gas traversing its network is independent of the price of those commodities. That price is set forth in long-term contracts which provides a [defensive moat](#) and stable revenue stream.

Enbridge's shift towards renewables is also worth noting. Two examples of that shift include the 10.5 MW Alberta Solar One project and the Saint-Nazaire offshore Wind Project in France. The Windfarm is expected to enter service next year, while Alberta Solar One is expected to come online next month.

If that weren't enough, Enbridge also has a growing project backlog of shovel-ready projects across

those segments valued in the billions. To potential long-term investors, this translates into a huge growth opportunity.

For income investors, Enbridge offers a juicy quarterly dividend. The current yield comes in at a very attractive 7.36%. This makes Enbridge one of the higher-paying income stocks on the market, but there's still more. Enbridge has provided investors with annual bumps to that dividend going back nearly a quarter-century, which makes the stock one of the oldest Dividend Aristocrats in the energy sector.

Should you buy?

Like the rest of the market, Enbridge was impacted by COVID-19. That said, Enbridge *still* hasn't recouped its losses from the pandemic-induced crash last year. The stock remains down just shy of 20% from its pre-pandemic closing. In other words, Enbridge could be a great buy at its current (still-discounted) rate for long-term investors.

In my opinion, Enbridge is a top-performing stock that should be a core part of every portfolio.

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