



## Today's Top Buy: Suncor Stock

### Description

**Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) stock has been one of my [top picks](#) in the energy sector for quite some time.

Since oil has a tonne of momentum right now, stocks with high exposure to the commodity are on the watch list of many investors. Additionally, considering the current economic outlook, I believe that there's plenty of upside for pure-play energy stocks like Suncor.

Hence, for investors who are optimistic in regard to oil prices in the near term, this stock remains a top buy.

## A bull market in commodities is on the way

Like I've mentioned before, it's likely that oil could continue running for some time. Considering the significance of Canada's energy sector, it's possible this could result in the TSX resuming leadership among global stock markets. But let's not get too far ahead of ourselves.

Indeed, recent years haven't been great for energy stocks — and the TSX, for that matter. Companies like Suncor have been beaten up by the market. Deteriorating supply and demand fundamentals have shaped a broadly bearish opinion in energy. Indeed, the focus on renewable energy infrastructure makes the long-term argument for owning highly leveraged oil plays a difficult one today.

However, at some point, every stock becomes too cheap to ignore. Right now, I think Suncor remains an excellent value pick in a sector finally showing some strength.

Accordingly, I think there's reason to be bullish about Suncor's prospects from here. For those bullish on the bull market forming in commodities, Suncor remains a top-notch pick today.

## Biden's infrastructure plan could actually be a catalyst for Suncor

Wait, what? Isn't the Biden plan focused on reducing reliance on "dirty" energy such as the Canadian oil sands and on renewable energy investment?

Yes, it is.

However, there's a key thing investors need to keep in mind with the \$2.25 trillion infrastructure proposal. This proposal is mainly targeted toward spending on repairing U.S. highways and bridges that are in disrepair.

These highways and bridges will require asphalt — a lot of asphalt. Accordingly, expectations are that the demand for asphalt will skyrocket in the years to come. And heavy oil, such as the oil Suncor produces, is a main component in asphalt production.

Indeed, this is an intriguing catalyst not many investors are considering right now. Cutting through the noise, Suncor could be a great pick for investors for the next five to 10 years. At least, I think so.

### CATEGORY

1. Energy Stocks
2. Investing

### POST TAG

1. growth
2. growth stocks
3. investing
4. market
5. Stocks

### TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:SU (Suncor Energy Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

### Category

1. Energy Stocks
2. Investing

### Tags

1. growth
2. growth stocks
3. investing
4. market
5. Stocks

### Date

2025/08/20

### Date Created

2021/04/10

### Author

chrismacdonald

default watermark

default watermark