



Enbridge Stock: Why June Is a Big Month for Investors

Description

In general, one specific month usually doesn't mean much to most investors — at least, those with long-term investing time horizons.

However, for investors in [energy giant Enbridge](#) ([TSX:ENB](#))([NYSE:ENB](#)), June will be a big month. Seeing as we're already knee deep into June, we're talking about a few weeks' time frame here. However, I expect some important news to arise in the coming weeks. Accordingly, investors need to stay on their toes with this stock.

Let's dive into what investors need to watch closely with Enbridge stock right now.

Geopolitical concerns picking up

Enbridge is a company that hasn't really been battered from geopolitical concerns over its history. Generally speaking, the relationship between Canada and the U.S. is an amicable one.

However, the company's Line 5 project has turned up the heat on this relationship. Resistance from protestors and lawmakers in Michigan have poured cold water on Enbridge's Line 5 project. Recently, an order was handed down for Enbridge to stop operating its Line 5 pipeline, which runs through a connection between two of the Great Lakes. Enbridge has continued to operate this line, stating it will only stop if a legal notice is handed down.

Additionally, questions abound regarding the company's efforts to replace Line 3 as well. This existing pipeline is only operating at half capacity, with the new line approximately 60% completed and will be operational in Q4. Protestors continue to hamper development at both sites.

What ultimately comes of this dispute remains to be seen. However, an announcement either way would be big news for Enbridge stock. I'm of the understanding this situation will need to get resolved sooner than later for various political and economic reasons. Accordingly, investors should keep a close eye on ENB stock this month.

Bottom line

Investors should be reminded that Enbridge's vast network of pipelines extends far beyond Line 3 and 5. However, these upgrade projects are absolutely massively important to shareholders.

Accordingly, the geopolitical legal disputes surrounding these projects should be watched closely. After all, any decisions made one way or another will affect Enbridge's future growth prospects.

Enbridge's value as an essential provider of stability to the economic engine has come into focus of late as a result of these issues. The company's environmental impact is also something activists are shining a light on right now. Both have valid points.

I'm an optimist. I believe both sides will eventually get together to work on a solution beneficial for everyone. Until then, we all wait eagerly for news.

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