



Should You Buy Enbridge (TSX:ENB) Stock Before 2022?

Description

[Long-term investors](#) have a wealth of options to consider on the **TSX** when looking for suitable investments that align with their financial goals. The worst period of the pandemic saw most of the energy industry stocks in Canada decline to devastating levels. However, 2021 has been a completely different story for the energy industry.

As economies began reopening, the surge in energy demand led to a massive uptick for the broader energy industry. **Enbridge** ([TSX:ENB](#)) ([NYSE:ENB](#)) stock has long been an excellent dividend stock for long-term investors.

[If you're just starting investing](#), picking strong assets that can provide you with reliable wealth growth through capital appreciation and shareholder dividends could be an excellent way to build strong foundations for your investment portfolio. Today, I will discuss Enbridge stock to help you determine whether it could be a good investment for you to consider.

A leading energy company with an eye for the future

Enbridge is one of the leading energy infrastructure companies in North America. Its extensive pipeline network is responsible for transporting a fifth of all the crude oil used in the U.S. and 25% of all the natural gas consumed in North America. With energy prices rising in the current environment, Enbridge is in a sweet spot to boost its short- and medium-term cash flows.

The biggest problem for energy companies is that fossil fuels will gradually be phased out for more environmentally friendly alternatives. The carbon emissions produced directly or indirectly by fossil-fuel-related businesses create a headwind for them. However, Enbridge stock investors might not have to worry about the long-term prospects for the company considering the circumstances.

As things stand, the shift to green energy could take a long time to materialize fully. Until that happens, conventional energy will continue to play a critical role in the economy's growth. Until the transition can occur, Enbridge and its peers could continue relying on fossil fuel-related revenues to boost their cash flows.

Meanwhile, Enbridge continues to invest in expanding its renewable energy portfolio to gear up for the gradual shift to green energy and eliminating carbon emissions.

Foolish takeaway

Transitioning to green energy is critical, and Enbridge has been one of the companies making substantial efforts to reduce its environmental impact in recent years. However, the transition might take a long time to happen, making the conditions ideal for Enbridge stock's near-term prospects as a value proposition.

At writing, Enbridge stock is trading for \$48.74 per share, and it boasts a juicy 6.85% dividend yield. You can pick up Enbridge stock right now to enjoy wealth growth through [substantial shareholder dividends](#) and long-term capital growth as its share prices appreciate.

Enbridge stock recently declined by 9.54%. It is in a reasonably priced territory, and the stock boasts a high dividend yield and strong growth prospects. It could be an excellent addition to your portfolio today.

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