



## Why Nutrien Stock Is the Mining Stock Investors Shouldn't Ignore

### Description

The fertilizer sector is certainly enjoying its day in the sun. An oft-overlooked sector, the supply of agricultural products such as crop nutrients are what literally feeds the world. Accordingly, investors in **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) stock have a lot to like about this company's business model.

A number of factors have driven very bullish supply/demand fundamentals for this sector of late. Of course, there's the geopolitical conflict in Eastern Europe. There's inflation. And supply chains remain choked, generally speaking, around the world. Add these factors up, and the price of most commodities are rising, fast.

However, there are other reasons other than fundamentals that investors may want to consider Nutrien stock. Let's dive into what investors are watching with this fertilizer company right now.

### Nutrien looks well positioned in this environment

With revenues of more than US\$35 billion, Nutrien is the largest fertilizer producer in the world by capacity. Additionally, this company happens to also be the largest agricultural retailer in the U.S., directly selling seeds, fertilizers, crop chemicals, and services to farming consumers via its online platforms and physical stores. The company produces three major crop nutrients: phosphate, nitrogen, and potash.

This integrated business model positions Nutrien well for [long-term growth](#). Indeed, assuming agricultural demand remains high, Nutrien picks up most of the value in its internal supply chain. Demand for crop inputs is likely to pick up, as food shortages continue to wreak havoc on specific regions of the world. And we can't forget about the impact of major nations such as India and China looking to internalize much of its food supply.

Nutrien's strong fundamentals have allowed the company to put forward a massive share-buyback program this past quarter. The company expects to retire approximately 10% of its shares. Additionally, this is on top of a [1.7% dividend](#). Combined, investors are receiving a very healthy yield to simply be patient.

## Bottom line

I've been pounding the table on Nutrien for some time now. Indeed, it's incredible to look back and see that this stock has approximately doubled over the past year. Accordingly, investors who locked in much higher yields following the pandemic are getting rewarded.

Is it possible Nutrien stock has run too high, too quickly? Sure. However, it's also increasingly likely that food shortages and ongoing geopolitical conflicts may rage on for some time. As a portfolio hedge, there's a lot to like about Nutrien stock right now.

### CATEGORY

1. Investing
2. Metals and Mining Stocks

### TICKERS GLOBAL

1. NYSE:NTR (Nutrien)
2. TSX:NTR (Nutrien)

### PARTNER-FEEDS

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

### PP NOTIFY USER

1. chrismacdonald
2. kduncombe

### Category

1. Investing
2. Metals and Mining Stocks

### Date

2025/06/28

### Date Created

2022/04/13

**Author**

chrismacdonald

default watermark

default watermark