



Is Brookfield Infrastructure Stock Worth a Buy in May 2022?

Description

After two years of dealing with a global pandemic that's created a tonne of uncertainty and an unprecedented investing environment, you'd think 2022 would be more straightforward. However, we're only in May of 2022, and many stocks are performing worse than they did over the last two years due to an even more uncertain investing environment today.

The pandemic is still impacting supply chains, as China's zero-COVID policy continues to cause lockdowns. In addition, [inflation](#) is sky high, interest rates are rapidly rising, and the war in Ukraine has only complicated matters even worse.

It's not surprising that the stock market is struggling. There is a tonne of uncertainty, and every stock seems to be dealing with a different headwind compared to the next.

However, there are a handful of Canadian stocks that you can have confidence buying in this environment, and one of the best I'd look to buy in May of 2022 is **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)), a long-term growth stock that's incredibly defensive.

While much of the market has sold off considerably, there's a reason why Brookfield is trading less than 10% off its highs. So, let's look at why Brookfield Infrastructure Partners is the perfect Canadian stock to buy in May and why it could be one of the best performers in 2022.

Brookfield Infrastructure is the perfect stock for both defence and long-term growth

As its name suggests, Brookfield owns a portfolio of high-quality infrastructure assets located all over the world. Infrastructure assets in general are highly defensive, because the services these assets provide are almost always essential.

Furthermore, by diversifying globally, the stock not only lowers its risk, but it also has more opportunities to find high-quality, [undervalued](#) investments.

So, what are Brookfield Infrastructure's assets? First off, Brookfield owns a tonne of utility assets, and, as many investors know, utilities are some of the most defensive assets you can own.

Brookfield's utility assets are significant as well. The company boasts over seven million customers of its electric and gas utility services. In addition, it also owns over 16,000 km of natural gas pipelines and more than 63,000 electricity transmission lines.

Another industry that Brookfield is heavily invested in is transportation. The company owns over 30,000 km of railroad operations, nearly 4,000 km of toll roads, as well as other transportation assets, such as ports and other export terminals.

Brookfield is also heavily invested in midstream energy. The stock owns natural gas-processing plants, natural gas storage and over 22,000 km of transportation lines.

And finally, Brookfield is also invested in data infrastructure. It owns 50 data centres, more than 20,000 km of fibre optic cable, as well as thousands of telecom towers.

Each and every one of these assets provides an essential service and therefore makes Brookfield a highly defensive investment and the perfect stock to buy in May of 2022. However, it's also a high-quality, long-term growth stock.

Why Brookfield is one of the best investments to make for long-term growth

In addition to owning tonnes of high-quality assets all over the world, Brookfield is also one of the best stocks to buy because of the growth potential it offers.

Plus, not only is Brookfield's management top notch, but it has a long history of executing and recycling capital into new opportunities.

The company is constantly looking to buy assets that it believes are undervalued or underutilized. Then eventually, over time, as Brookfield Infrastructure improves the cash flow that these assets generate, it can sell them and recycle the capital into new opportunities.

So, over the long haul, it's one of the best stocks you can own. Plus, if you're looking to buy a stock now, in May of 2022, Brookfield is easily one of the best stocks to buy.

While many companies are struggling with higher costs and are having trouble maintaining their margins, Brookfield is realizing a major tailwind. Roughly three-quarters of Brookfield's revenue is indexed to inflation. Meanwhile, the majority of its costs are fixed.

So, if you're looking for a high-quality stock to buy that you can have confidence owning, even in this environment, Brookfield Infrastructure Partners is one of the best to consider today.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

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Date

2025/08/18

Date Created

2022/05/19

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