



Is Nutrien Stock a Buy in January 2023?

Description

Nutrien ([TSX:NTR](#)) had a wild ride in 2022. The crop nutrient company hasn't been on the market all that long, only coming around in 2017. However, it's shot up in share price since then — especially in the last year, when sanctions on Russian crop nutrients led to soaring shares.

However, those soaring shares came back down to earth and now trade under three digits. Yet many of us still have the scars from past growth stocks visible in our portfolios. So, when it comes to Nutrien stock, is it the same, old story? Or is this stock perhaps a buy in January 2023?

Leave the past in the past

It's of course important to look back and see how management has proven its worth in the past. And in terms of Nutrien stock, we can see that management has done this. The company continues to merge a fractured industry, acquiring crop nutrient companies to become the world's largest crop nutrient producer.

This continued during the pandemic, when the [agriculture stock](#) expanded its online offerings. This proved important, as Nutrien stock became a provider of nutrients to farmers during droughts, floods, and more horrible weather. And at a time when it was already incredibly difficult to find these products.

That being said, what investors *shouldn't* focus on is the past that's out of the company's control. In this sense, no one could have predicted the invasion of Ukraine by Russia. That means you can't count on some geopolitical chaos to bring shares up again. You simply have to rely on the company itself.

This is a strong company

Here's the thing: even when shares climbed to all-time highs, I *still* didn't think Nutrien stock was all that expensive, given its performance. As mentioned, it continues to expand. And it's in an industry that *needs* to expand.

Crop nutrients will continue to be sorely needed the world over, and Nutrien stock has partnerships around the world to make that happen. The world recently surpassed eight billion people in population. That's eight billion [mouths to feed](#), and counting, with even less arable land than ever.

Potash and other nutrients are therefore the solution to keeping the world fed, and Nutrien stock is one of the biggest providers. So, despite being relatively new to the scene, it has a solid growth strategy that's already been proven before. And it will be again.

Is it a buy?

In short, yes. If you look at past performance, the company's most recent earnings report net earnings reached \$1.6 billion, with earnings before interest, taxes, depreciation, and amortization reaching \$2.5 billion. These were record earnings once again, with more purchases and demand moving it along.

Yet it remains well into value territory. Nutrien stock currently trades at just 5.49 times earnings as of writing, with a dividend yield you can lock up at 2.58%. And with shares down 29% from 52-week highs, you're getting a steal, in my opinion.

So, is Nutrien stock a buy? Definitely, especially if you're seeking a long-term stock that will continue climbing for as long as there are people to feed.

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