

The Top Infrastructure Stocks to Consider Right Now

Infrastructure in the U.S. is still a disaster.

Just months ago, American Society of Civil Engineers gave the country a C-, an improvement from a D+ in 2017.

“Many of the country’s roads, bridges, airports, dams, levees and water systems are aging and in poor to mediocre condition. And they’re in need of a major federal investment to keep from getting worse and to withstand the harsh effects of a changing climate, according to the American Society of Civil Engineers,” as reported by NPR at the time.

In addition, according to the ASCE, 47% of the 617,000 bridges are more than 50 years old. More than 46,000 of them were deemed “structurally deficient.”

However, there’s hope things will soon change.

All after Congress passed the Infrastructure Investment and Jobs Act, which invests in roads, railways, bridges, and broadband. According to NPR, the bill includes money for:

- Roads, bridges, major projects: \$110 billion
- Passenger and freight rail: \$66 billion
- Public transit: \$39 billion
- Airports: \$25 billion
- Port infrastructure: \$17 billion
- Transportation safety programs: \$11 billion
- Electric vehicles: \$7.5 billion
- Zero and low-emission buses and ferries: \$7.5 billion
- Revitalization of communities: \$1 billion

While we’ve already highlighted an opportunity in Southern Copper (SCCO), US Steel (X), Nucor (NUE), Steel Dynamics (STLD), and Caterpillar (CAT), let’s add a few more.

Opportunity No. 1 – H&E Equipment Services Inc. (HEES)

HEES has also seen shares rocket higher on infrastructure excitement. After running from \$32 to \$49, the stock could see higher highs as the U.S. gets rolling on improving ailing infrastructure. H&E Equipment Services, Inc. operates as an integrated equipment services company. The company rents, sells, and provides parts and service support for hi-lift or aerial work platform equipment, cranes, earthmoving equipment, and industrial lift trucks. It offers heavy construction and industrial equipment for rent on a daily, weekly, and monthly basis.

Opportunity No. 2 – Jacobs Engineering (J)

The last time we recommended Jacobs Engineering, it traded around \$80. Today, it’s up to \$144.87 and could run even higher. JEC provides technical, professional, and construction services. It offers project services that include engineering, architectural, interiors, design, planning, and related services, as well as planning, scheduling, procurement, estimating, cost engineering, project accounting and delivery, safety, and other support services.

Opportunity No. 3 – iShares Global Infrastructure ETF (IGF)

The IGF ETF holdings include shares of transportation, communication infrastructure, water and electricity services companies all over the world. At \$48.27 with an expense ratio of 0.43%, some of the

fund's top holdings include Enbridge (ENB), TC Energy Corp. (TRP), Duke Energy (DUK), Southern Company (SO), Kinder Morgan (KMI), and ONEOK Inc. (OKE).

Not only does an ETF allow for diversification, you can buy it for less. For example, we can buy the IGF for \$48.27 a share. If we were to buy 100 shares, it would cost us \$4,827. If we were to buy some of the fund's top holdings individually, it would cost far more than that.