

Suncor Energy: Activist Investor And Event-Driven Equity Story

July 18, 2022 | By Alex Gavrish, Etalon Capital Ltd; author of "Story Investing"

On April 28, 2022, activist hedge fund Elliott Investment Management [disclosed](#) that it acquired a stake in [Suncor Energy Inc.](#)

In a letter to the Board of Suncor Energy Inc, an activist investor outlined its vision and [story](#) for the company.

Among the [steps](#) proposed were Board enhancement, management review, operations (cash flow improvement plan), enhanced capital return, and strategic review to explore opportunities to unlock the value of assets outside of the core Oil Sands business, including a strategic review of retail.

Overall, according to activist investors' vision shares have the potential upside of 50% or more. Based on April 28th, 2022 closing share price of CAD 47.22 the target price can be estimated at about CAD 70.83.

Since then shares declined by about 13% percent.

Today, on July 18th, 2022, Suncor Energy [announced](#) that it had [entered](#) into an [agreement](#) with Elliott Investment Management.

Three new independent directors will join the Board, and a new committee will be formed to oversee a strategic review of Suncor's downstream retail business.