



Advertisement



Canada / Oil and Gas / TSX:PXT

A Look at Parex Resources (TSX:PXT) Valuation After Strengthened **Ecopetrol** Alliance and Colombian Growth Updates



Simply Wall St

Reviewed by Simply Wall St

December 08, 2025

Share



Copy Link

Parex Resources (TSX:PXT) just tightened its strategic alliance with **Ecopetrol** in Colombia's Llanos Foothills, securing regulatory approvals to drill new exploration wells while reaffirming steady production and a clear timeline for its 2026 guidance.

[See our latest analysis for Parex Resources.](#)

The strengthened **Ecopetrol** alliance seems to be feeding into sentiment, with the CA\$19.17 share price sitting on a solid uptrend, highlighted by a roughly 28% year to date share price return and a near 45% one year total shareholder return. This suggests momentum is still building rather than fading.

If this kind of steady operational progress appeals to you, it may be a good time to explore [fast growing stocks with high insider ownership](#) as another way to uncover interesting opportunities.

Yet with Parex trading only slightly below analyst targets but at a hefty intrinsic discount, investors are left wondering if the market is still underestimating its growth runway or already pricing in the next leg higher.

About TSX:PXT

Parex Resources

Engages in the exploration, development, production, and marketing of oil and natural gas in Colombia.



Undervalued with adequate balance sheet.

[See The Free Research Report](#)

Similar Companies



TSX:MER

Meren Energy



TSX:FEC

Frontera Energy

Advertisement



Market Insights

Market Insights: Three Reasons Why REITs Could Rally in 2026 □



Richard Bowman

Market Insights: Three Reasons Why REITs Could Rally in 2026 □



Richard Bowman

DEF Defensive Stocks Are No Longer Cheap



Richard Bowman

Most Popular Narrative: 3.2% Undervalued

With the narrative fair value sitting just above the CA\$19.17 last close, Parex is framed as modestly mispriced rather than a deep value outlier.

The upcoming monetization of significant natural gas volumes (e.g., La Belleza block), supported by new pipeline infrastructure in a Colombian market experiencing gas shortages, represents a forward-looking catalyst for revenue diversification and margin expansion. Parex's commitment to low-emission operations and the release of its annual sustainability report reinforce its ability to attract capital and maintain regulatory favor. This positions the company to benefit from the industry's shift toward higher environmental standards and supports long-term cost of capital and share price potential.

[Read the complete narrative.](#)

Want to see what kind of margin expansion, earnings trajectory, and future valuation multiple are baked into that fair value line? The full narrative lays out a detailed roadmap, including how modest top line growth could still translate into much stronger profitability, if execution matches these assumptions.

Result: Fair Value of \$19.8 (UNDervalued)

[Have a read of the narrative in full and understand what's behind the forecasts.](#)

However, sustained weakness in Colombian production or regulatory setbacks on key licenses could quickly undermine the expected margin gains and rerating potential.

[Find out about the key risks to this Parex Resources narrative.](#)

Build Your Own Parex Resources Narrative

If you would rather challenge these assumptions and rely on your own research, you can build a personalized view of Parex in just a few minutes, starting with [Do it your way](#).

Advertisement

Weekly Picks



RockeTeller on Santacruz Silver Mini...

Crazy Undervalued 42

Baggers Silver Play (Activ...

Fair Value: CA\$86 96.7% undervalued

1 66 1 7 1 20



Robbo on Fiducian Group • 11 day...

Fiducian: Compliance

Clouds or Value...

Fair Value: AU\$12 3.9% undervalued

1 11 1 0 1 0



woodworthfund on Willamette Valle...

Willamette Valley

Vineyards (WWV): Not-S...

Fair Value: US\$2 42.5% overvalued

1 11 1 0 1 1

highlighting 3 key rewards and 3 important warning signs that could impact your investment decision.

Looking for more investment ideas?

Do not stop with one compelling opportunity when you can quickly scan focused shortlists built to uncover strong performance, resilient dividends, and game changing themes.

- Capitalize on potential mispricings by reviewing [these 903 undervalued stocks based on cash flows](#) that the market may be overlooking despite robust fundamentals and supportive cash flows.
- Strengthen your income stream by targeting [these 15 dividend stocks with yields > 3%](#) that combine attractive yields with business quality, rather than chasing unreliable payouts.
- Ride structural growth trends by evaluating [these 26 AI penny stocks](#) positioned to benefit from accelerating adoption of automation, data driven products, and intelligent infrastructure.

This article by Simply Wall St is general in nature. We provide commentary based on historical data and analyst forecasts only using an unbiased methodology and our articles are not intended to be financial advice. It does not constitute a recommendation to buy or sell any stock, and does not take account of your objectives, or your financial situation. We aim to bring you long-term focused analysis driven by fundamental data. Note that our analysis may not factor in the latest price-sensitive company announcements or qualitative material. Simply Wall St has no position in any stocks mentioned.

New: Manage All Your Stock Portfolios in One Place

We've created the **ultimate portfolio companion** for stock investors, **and it's free.**

- Connect an unlimited number of Portfolios and see your total in one currency
- Be alerted to new Warning Signs or Risks via email or mobile
- Track the Fair Value of your stocks

[Try a Demo Portfolio for Free](#)

Have feedback on this article? Concerned about the content? [Get in touch](#) with us directly. Alternatively, email editorial-team@simplywallst.com

● Updated Narratives

EN  Enemy on Halyk Bank of Kazakhstan...
Halyk Bank of Kazakhstan will see revenue grow 11...
Fair Value: US\$52.23 51.3% underval...

IN  IncomeAssets on Magma Silver + a...
Silver's Breakout to over \$50US will make Magma'...
Fair Value: CA\$0.35 34.3% underval...
1 0 0

CG  composite32 on SEGRO + about 24...
SEGRO's Revenue to Rise 14.7% Amidst Optimistic...
Fair Value: UK£9.39 24.7% underval...
1 0 0

★ Popular Narratives

W  TheWallstreetKing on MicroVision +...
MicroVision will explode future revenue by 380.37...
Fair Value: US\$60 98.5% undervalued
118 11 22

N  AnalystConsensusTarget on NVIDIA...
NVDA: Expanding AI Demand Will Drive Major...
Fair Value: US\$250.39 27.2% underv...
959 6 25

R  RockeTeller on Santacruz Silver Mini...
Crazy Undervalued 42 Bidders Silver Play (Activ...
Fair Value: CA\$86 96.7% undervalued
66 7 20

Trending Discussion

U  User on Santacruz Silver Mining + 5...
excellent information, not sparing any risk warnings...
2 1 1

U  User on Toronto-Dominion Bank + ...
Bank is trailing the Industry due to its regulatory...
1 1 0

CH  CRISSCH on NVIDIA + 4 days ago
Been buying the dips since 2021 and very glad I did...
1 1 0



Level 5, 320 Pitt Street, Sydney



Markets

US: NYSE & NASDAQ

UK: FTSE

Australia: ASX

India: NIFTY

Canada: TSX

South Africa: JSE

Investing Ideas

Undervalued Companies

Dividend Powerhouses

Insider Buying

Nuclear Energy

Autonomous Vehicles

Artificial Intelligence

Features

Portfolio Tracker

Screener

Investing Ideas

Community Narratives

Market Insights

What's New

Simply Wall St

Plans

About Us

Our People

Contact Us

Careers

Help Center

Learn Stock Investing

Affiliate Program

Business & Enterprise

S&P Global
Market Intelligence

Financial Data provided by S&P Global Market Intelligence LLC, analysis provided by Simply Wall Street Pty Ltd. Copyright © 2025, S&P Global Market Intelligence LLC. All rights reserved.

[View Data Sources](#)

Simply Wall Street Pty Ltd (ACN 600 056 611), is a Corporate Authorised Representative (Authorised Representative Number: 467183) of Sanlam Private Wealth Pty Ltd (AFSL No. 337927). Any advice contained in this website is general advice only and has been prepared without considering your objectives, financial situation or needs. You should not rely on any advice and/or information contained in this website and before making any investment decision we recommend that you consider whether it is appropriate for your situation and seek appropriate financial, taxation and legal advice. Please read our Financial Services Guide before deciding whether to obtain financial services from us.

© 2025 Simply Wall Street Pty Ltd, US Design Patent #29/544/281, Community and European Design Registration #2845206

[Financial Services Guide](#) [Terms and Conditions](#) [Privacy Policy](#)