



## Fuel Your Portfolio With Crescent Point Energy's 5.85% Dividend Yield

### Description

**Crescent Point Energy** (TSX: CPG)(NYSE: CPG) offers consistent dividends with a healthy yield of almost 6%. Here are five reasons to consider this conventional oil and gas producer as an investment.

#### 1. Its diverse asset portfolio

In Canada and the U.S., Crescent Point Energy centres on accretive large oil- or gas-in-place acquisitions with stable production profiles and considerable development upside. The company has assets in Alberta, Saskatchewan, Manitoba, North Dakota, and Utah.

#### 2. Its production increases and resource plays

For Q1 2014, Crescent Point's production grew 11% to 130,580 boe/d from 117,663 boe/d in Q1 2013. In Q1, it drilled 223 wells. This was chiefly in the Viewfield Bakken resource play and the Shaunavon resource play, both of which are in southwest Saskatchewan.

The Viewfield Bakken resource play, a light oil reservoir, has a large, multi-year, low-risk drilling inventory. Shaunavon is a medium oil resource play. It is also a major source of multi-year, low-risk drilling inventory. Furthermore, Crescent Point is focusing its attention on emerging plays. These include the Beaverhill Lake light oil resource play in Alberta, as well as the Bakken/Three Forks in the U.S. The company has a considerable land position in Beaverhill Lake in the Swan Hills area of Alberta.

#### 3. Its revenue increases

For Q1 2014, Crescent Point Energy's crude oil and natural gas liquids sales increased 29%, from \$770.2 million in Q1 2013 to \$992.8 million. Natural gas sales increased 68%, from \$21.5 million in Q1 2013 to \$36.2 million in Q1 2014.

#### 4. Its cash flow, operating income, and net income

For Q1 2014, cash flow from operating activities grew 25% to \$574.1 million versus \$459.2 million in Q1 2013. Operating income was \$206.1 million versus \$114.3 million in Q1 2013. The company

realized net income of \$30.9 million in Q1 versus a net loss of \$1.6 million in Q1 2013.

## 5. Its dividends

This month, Crescent Point Energy declared a dividend of \$0.23 per share to be paid in July, based on June 2014 production. The company's current dividend yield is 5.85%. Its five-year average dividend yield is 6%. Its annualized dividend rate is \$2.76.

How does this compare to others in the independent oil and gas industry? **ARC Resources** ([TSX: ARX](#)) has a 3.7% dividend yield and its dividend rate is \$1.20. This month, ARC Resources confirmed a dividend of \$0.10 per share for July 2014.

**Husky Energy** (TSX: HSE) has a dividend yield of 3.34%. Its five-year average dividend yield is 4.3% and its annualized dividend rate is \$1.20. In May, Husky Energy declared a quarterly dividend of \$0.30 per share.

With increases in production, revenue, cash flow, and operating and net income, as well as a nice dividend yield, Crescent Point Energy is worth a look if you desire an energy stock in your portfolio.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. NYSE:VRN (Veren)
2. TSX:ARX (ARC Resources Ltd.)
3. TSX:VRN (Veren Inc.)

## Category

1. Investing

## Date

2025/07/05

## Date Created

2014/06/25

## Author

mugulini

default watermark