



Why Husky Energy Inc. and Toronto-Dominion Bank Belong in Your Portfolio

Description

Husky Energy Inc. (TSX: HSE) and **Toronto-Dominion Bank** ([TSX: TD](#))([NYSE: TD](#)) are two strong Canadian companies with a history of rewarding investors.

Each company operates in an essential industry and together can be solid components of a diversified income portfolio.

1. Husky Energy Inc.

Husky Energy is one of Canada's largest integrated energy companies and has its upstream and downstream business segments. Here's what I like about Husky Energy.

Geographic diversity

Husky Energy has operations in Western and Atlantic Canada, the U.S., and the Asia-Pacific region. In Western Canada, Husky is focused on advancing its liquids-rich gas and oil resource plays, while in Offshore Indonesia it is advancing two shallow water projects in the Madura Strait.

Heavy oil business

Husky is revitalizing its historical heavy oil foundation, and is now concentrating on thermal technologies and horizontal wells. Most of its heavy oil assets are in the Lloydminster region of Alberta and Saskatchewan (approximately 2 million acres). Husky's goal is to achieve 55,000 bbls/day of production from thermal developments in 2016.

Sunrise Energy Project

This oil sands project is in northern Alberta and is on track for start-up this year. The expectation is that Phase 1 production will build over 18 to 24 months to 60,000 bbls/day (30,000 bbls/day net to Husky Energy). Bitumen from the Sunrise Energy Project will be transported via pipeline to the partner-operated BP-Husky Refinery in Toledo, Ohio.

Liwan Gas Project

Husky Energy holds a 49% interest in the Production Sharing Contract for the Liwan Gas project in China. Liwan is Husky's largest development to date. First gas was produced at the Liwan 3-1 field this past March. Liwan comprises three natural gas fields (Liwan 3-1, Liuhua 34-2 and Liuhua 29-1) and first natural gas sales from Liwan 3-1 are expected to be around 250 million cubic feet per day gross.

Husky Energy's dividend yield is 3.71%.

2. Toronto-Dominion Bank

TD Bank had \$896 billion in assets as of April 30, 2014, and the company has three operating segments (Canadian Retail, U.S. Retail, and Wholesale Banking). Here's what I like about TD.

Strong Canadian Retail banking operations

TD's Canadian Retail banking operations had record adjusted earnings of \$3.8 billion for 2013. Its Canadian Retail segment includes TD Canada Trust, TD Commercial Banking, TD Auto Finance (Canada), TD Wealth (Canada) and TD Insurance. For Q2 2014, Canadian Retail produced net income of \$1.3 billion. This represents an increase of 12% on an adjusted basis versus Q2 2013.

Canadian Retail accounts for 65% of TD's earnings.

TD Ameritrade

TD Ameritrade is part of TD's U.S. Retail division. TD Ameritrade offers investing and trading services, investor education services, and custodial services for independent registered investment advisors.

TD Ameritrade experienced robust trading and revenue growth in Q2 2014. This division contributed US\$70 million in earnings to U.S. Retail. This represents an increase of 35% versus Q2 2013. In 2013, TD Ameritrade grew its net new client assets at a double-digit rate for the fifth consecutive year.

U.S. Retail accounts for 26% of TD's earnings.

Recent acquisition

TD Bank recently completed the acquisition of the remaining interest in NatWest Stockbrokers Limited from National Westminster Bank plc. This positions TD for growth in the U.K and Europe. Executive Vice President of TD Wealth Leo Salom, said, "This purchase represents TD's ongoing commitment to providing market-leading stockbroking and investment services, building a strong presence in the U.K., and becoming a leading online broker in Europe."

TD's dividend yield is 3.32%.

Consider a major integrated oil & gas and banking component for your portfolio. Husky Energy and TD Bank are proven companies that provide consistent returns for shareholders.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:TD (The Toronto-Dominion Bank)
2. TSX:TD (The Toronto-Dominion Bank)

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