



3 Top Energy Stocks Yielding Up to 4.5%

Description

If you're looking for consistent dividends as a hedge against future market downturns, consider these three companies from the energy sector for your portfolio.

1. Enerplus Corp

Energy producer **Enerplus Corp** ([TSX: ERF](#)) ([NYSE: ERF](#)) has a current dividend yield of 4.50% and its dividend rate is \$1.08. Enerplus' dividends are paid from the cash flow generated from the sale of its oil and natural gas production. The company pays cash dividends monthly.

Enerplus attained record production of approximately 104,000 boe per day in Q2 2014. This represents the highest level in the company's history. Daily production increased 5% quarter-over-quarter. In addition, daily production was 15% higher than Q2 2013.

Enerplus' operations are in top North American regions. The company has high-quality, low-decline oil and gas assets. Its operations involve U.S. oil (Williston Basin), U.S. natural gas (Marcellus Shale); Canadian crude oil (Waterfloods), and Canadian natural gas (Deep Basin region). Thanks to optimized operations, Enerplus recently upped its annual average production guidance for this year from 100,000 boe per day to 104,000 boe per day.

2. ARC Resources Ltd.

With operations focused on five core areas across western Canada, **ARC Resources Ltd.** ([TSX: ARX](#)) has a current dividend yield of 3.81%. The company's dividend rate is \$1.20 and it also pays dividends monthly. Its three-year average dividend growth rate is 23.81%. This week, ARC Resources confirmed a dividend of \$0.10 per share to be paid on September 15, 2014.

ARC's operations are in northeast British Columbia, northern Alberta, south-central Alberta, the Pembina Cardium field, and southeast Saskatchewan and Manitoba. ARC achieved record Q2 production of 110,165 boe per day. This represents an 18% increase over Q2 2013 and it is 4% higher than Q1 2014.

ARC is advancing large-scale development plans for its Montney region. The Montney is known as one of the best tight gas plays in North America. The tight gas Montney resource play is the location of ARC's assets in northeast British Columbia.

3. Husky Energy Inc.

A major integrated energy company, **Husky Energy Inc.** (TSX: HSE) has a current dividend yield of 3.65%. The company pays its dividends quarterly and its dividend rate is \$1.20. Husky's board recently declared a quarterly dividend of \$0.30 per share to be paid on October 1, 2014.

Husky has a solid foundation in heavy oil and is now revitalizing its historical foundation focusing increasingly on thermal technologies and horizontal wells. This is its strategy to draw off the considerable resource in place.

Husky Chief Executive Officer Asmin Ghosh recently said regarding Q2 performance, "Our new thermal developments are delivering well above their nameplate designs and production was further boosted this quarter by strong performance from our resource plays and the start up of the Liwan Gas Project."

The first deepwater gas project of offshore China, the producing Liwan Gas Project is Husky Energy's largest development so far. The expectation is that the first natural gas sales from the Liwan 3-1 field will be roughly 250 million cubic feet per day.

Consider adding these three companies that offer exposure to the oil and gas industry and nice dividend yields. All three are major players in the industry and provide regular dividends to build your income even during market downturns.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:ERF (Enerplus Corporation)
2. TSX:ARX (ARC Resources Ltd.)
3. TSX:ERF (Enerplus)

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