



Profit From the North American Energy Revolution With These 3 Stocks

Description

With the North American energy revolution in full swing, Foolish investors are constantly looking for ways to profit from it. However, it is not always easy finding the right stock at the right price. To make things very easy for you, I have compiled a list of three companies from three different industries that are actively contributing to the revolution, so let's take a closer look at each to determine which would fit best in your portfolio.

1. Enbridge Inc.: Pipelines & Storage Facilities

Enbridge Inc. ([TSX:ENB](#))([NYSE:ENB](#)) operates the world's longest and most complex crude oil and liquids transportation system, with approximately 26,881 kilometres of pipelines across North America. It is also one of North America's leading providers of crude oil storage with a current storage capacity of over 52.5 million barrels.

At today's levels, Enbridge's stock trades at 27.1 times its median earnings per share outlook of \$2.20 for fiscal 2015 and 23.4 times analysts' estimated earnings per share of \$2.55 for fiscal 2016, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 39.3, but expensive compared with the industry average multiple of 21.8. Also, the company pays a quarterly dividend of \$0.465 per share, or \$1.86 per share annually, giving its stock a 3.1% yield.

2. Canadian National Railway Company: Railroads

Canadian National Railway Company ([TSX:CNR](#))([NYSE:CNI](#)) is the largest rail network operator in Canada, and one of the five largest in North America, with approximately 32,000 kilometres of track and 80 warehousing and distribution facilities.

At today's levels, Canadian National's stock trades at 18.9 times fiscal 2015's estimated earnings per share of \$4.11 and 17 times fiscal 2016's estimated earnings per share of \$4.59, both of which are slightly expensive compared with its five-year average price-to-earnings multiple of 16.6, but inexpensive compared with the industry average multiple of 26.2. Additionally, the company pays a quarterly dividend of \$0.3125 per share, or \$1.25 per share annually, which gives its stock a 1.6% yield.

3. Enerflex Ltd.: Natural Gas Compression & Processing Services

Enerflex Ltd. ([TSX:EFX](#)) is one of the world's leading providers of natural gas compression and processing services, refrigeration systems, and electric power equipment. It also provides engineering and mechanical service expertise, full after-market support, and equipment rental solutions.

At today's levels, Enerflex's stock trades at 12.6 times fiscal 2015's estimated earnings per share of \$0.98 and 12.1 times fiscal 2016's estimated earnings per share of \$1.02, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 21.1 and the industry average multiple of 19.4. In addition, the company pays a quarterly dividend of \$0.085 per share, or \$0.34 per share annually, giving its stock a 2.8% yield.

Which of these energy stocks fit your portfolio's needs?

Enbridge, Canadian National Railway, and Enerflex represent three of the best ways to invest in the North American energy revolution today.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:CNI (Canadian National Railway Company)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:CNR (Canadian National Railway Company)
4. TSX:EFX (Enerflex Ltd.)
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