



Grab These 4 Discounted Energy and Mining Stocks

Description

Oil prices started to bounce back as the trading week opened on October 10 after dropping below the \$50 mark the week previous. The S&P/TSX Index has been dragged down at times in 2017 by struggling oil, but a September rally has some oil and gas investors optimistic. Mining stocks have also experienced volatility with silver and gold battling to reach 2016 highs, but other commodities, like copper and zinc, have seen impressive bull runs.

We are going to review four stocks that present investors with an opportunity to buy into these markets. Oil and gas could continue to demonstrate strength into 2018, and the copper bull run appears to have legs.

Obsidian Energy Ltd. ([TSX:OBE](#))([NYSE:OBE](#)) is a Calgary-based oil and gas company. The stock is down 43% in 2017 as of close on October 10. Obsidian released its second-quarter results on August 9. The company elected to reorient its capital spending in the second half of 2017, reducing its capital budget by \$20 million to \$160 million. The company is on track to reach its production of 30,000-31,500 boe in 2017. At \$1.35 as of close on October 10, this one comes cheap for investors willing to bet on the oil bull remaining strong.

Taseko Mines Ltd. ([TSX:TKO](#)) is a Vancouver-based copper producer that operates the second-largest pit copper mine in Canada. The stock has climbed an impressive 151% in 2017 as the copper bull market has boomed. The company released its second-quarter results on August 2. Revenues were up to \$99.9 million compared to \$55 million in Q2 2016. Net income increased to \$5.2 million in comparison to a \$19 million loss in the previous year. Cash flows recorded huge improvement to \$62.2 million, and Taseko posted \$40 million in sales compared to \$30 million in Q2 2016.

Altagas Ltd. ([TSX:ALA](#)) is a Calgary-based energy infrastructure company that operates in North America with an emphasis on clean and affordable energy. Shares have dropped 16.9% in 2017 and 15% year over year. Altagas released its second-quarter results on July 27. The company posted a record normalized EBITDA in the second quarter of \$166 million, representing an increase of \$13 million. Net income was down marginally to \$28 million from \$29 million in Q2 2016. Altagas also declared a dividend of \$0.17 per share, representing a very attractive dividend yield of 7.4%.

Crescent Point Energy Corp. (TSX:CPG)(NYSE:CPG) an oil and gas company based in Calgary, with a primary focus on production in Utah and Saskatchewan. Shares have declined 46.5% in 2017 and 44% year over year. The company released its second-quarter results on July 27. The quarter saw Crescent Point increase its quarterly production and its overall forecast by about 2,400 boe. It also posted net income of \$83.6 million compared to a \$226.1 million loss in the second quarter of 2016. The stock offers a solid dividend of \$0.03 per share with a dividend yield of 3.7%.

CATEGORY

1. Energy Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:VRN (Veren)
2. TSX:ALA (AltaGas Ltd.)
3. TSX:TKO (Taseko Mines Limited)
4. TSX:VRN (Veren Inc.)

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