



## 2 Energy Stocks That Are Starting to Take Off

### Description

As the price of oil continues its climb, it might be time to start looking at stocks in the industry that could benefit from the developments. At the start of 2017, we saw a lot of negativity in the industry, and when oil prices declined a year ago, many stocks went along for the ride.

However, since the second half of 2017, [we've seen the price of oil make a good run](#), and it has now reached levels not seen since 2014. As a result, there are a couple of stocks that are starting to take off after having bad years, and that could be great buys today.

**Baytex Energy Corp. (TSX:BTE)(NYSE:BTE)** is up more than 35% since July and has risen nearly 20% in just the last month. Last year, the stock dropped more than 40% of its value, and in the first half of the year, that number was over 50%.

To say that Baytex is seeing a big improvement is an understatement. Not only are rising oil prices helping the company's prospects for the future, but its financials have become stronger as well. In its most recent earnings, Baytex achieved sales growth of 31% and posted smaller losses than it did a year ago.

Last month, we also saw a very bullish trend where the stock's 50-day moving average crossed over its 200-day moving average. Since that cross, the stock has been up 20%, and that could just be the start.

**Crescent Point Energy Corp. (TSX:CPG)(NYSE:CPG)** is another oil and gas stock that had a brutal 2017, where it saw its share price get cut in half. Like Baytex, Crescent Point has started to see a recovery in price. Since last month, the stock is up more than 30%.

The stock wasn't helped by a third quarter that saw sales rise by more than 10%, while profits sank deeper into the red as a result of [impairment write-downs of over \\$300 million](#). However, Crescent Point has a lot on the horizon that could lead to stronger results in 2018 that will push its share price even higher.

The company is planning to increase its budget for 2018, as it further expands its operations in Utah,

making itself less reliant on its core operations in Saskatchewan. Crescent Point also identified significantly more drilling locations that will give it more capacity and opportunity to increase production, which it expects will rise as much as 7% by the end of 2018.

Scott Saxberg, president and CEO of Crescent Point, stated, "We added new drilling locations in each of our core areas and advanced new plays for future development. In Uinta, our risked horizontal drilling inventory increased to approximately 850 net locations and can potentially increase to over 1,700." A year ago, the company's inventory in Uinta was made up of just 120 locations.

### Bottom line

These two stocks are already starting to see some positive results come in and could be great buys as the price of oil continues to rise. Investors should be careful not to assume that all oil and gas stocks will rise as the price of oil continues to increase, and you only need to look at **Enbridge Inc.** ([TSX:ENB](#)) ([NYSE:ENB](#)) as proof of why that isn't always the case.

### CATEGORY

1. Energy Stocks
2. Investing

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