

3 Energy Stocks to Stash in Your TFSA This Month

Description

The **S&P/TSX Composite Index** rose 31 points on April 27 before the TSX was forced to shut down in the early afternoon due to technical difficulties. The TSX rolled off solid gains in late April largely on the back of strengthening energy stocks and a [rally in oil prices](#). Top analysts are calling for a continued rally for oil as [tensions in the Middle East](#) have heightened in recent weeks.

This momentum has a good chance of extending beyond the month of May, especially with a key deadline approaching that could see the U.S. effectively scrap the nuclear deal with Iran. With that in mind, let's take a look at three energy stocks to target this spring. These three stocks offer attractive income and the opportunity for capital gains in the midst of this rally.

Altagas Ltd. (TSX:ALA)

Altagas is a Calgary-based energy infrastructure company. Shares of Altagas have climbed 2.3% month-over-month as of close on April 27. The company released its first quarter results on April 26.

Altagas reported normalized EBITDA of \$223 million in the first quarter in comparison to \$228 million in Q1 2017. Normalized funds from operations were \$169 million or \$0.96, which was down marginally from \$170 million or \$1.01 per share in the prior year.

Altagas also received regulatory approval for the \$9 billion acquisition of **WGL Holdings Inc.**, a Washington-based public utility. The company expects the acquisition to power dividend growth into 2021. It also projects that approximately 85% of its EBITDA will come from contracted or regulated assets by the first full year 2019. The company's board of directors recently declared a \$0.1825 per share, representing an attractive 8.8% dividend yield.

Inter Pipeline Ltd. (TSX:IPL)

Inter Pipeline is a Calgary-based petroleum transportation, storage, and natural gas liquids extraction company. Shares of Inter Pipeline have climbed 3.5% month over month. The company released its 2017 fourth quarter and full-year results on February 15.

In 2017, Inter Pipeline reported record funds from operations of \$991 million, representing a 17% increase from the prior year. Oil sands transportation made up \$612.4 million of that total. Net income also grew by 10% to \$527 million in 2017, and it posted dividend growth for the 15th consecutive year. Inter Pipeline offers a dividend of \$0.14 per share, representing a 7.1% dividend yield.

Canadian Natural Resources Ltd. (TSX:CNQ)(NYSE:CNQ)

Canadian Natural Resources is a Calgary-based oil and natural gas producer. Its stock has climbed 13.8% month-over-month as of close on April 27. Shares are up 2.6% in 2018 thus far. The company released its 2017 fourth quarter and full-year results on March 1, which beat analyst expectations.

The company reported a record 1.02 million barrels of oil equivalent per day in the fourth quarter,

representing a 19% increase from the prior year. Adjusted earnings climbed to \$565 million compared to \$439 million in the fourth quarter of 2016. The company also offers a dividend of \$0.335 per share, representing a 2.5% dividend yield.

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