
# 3 Insanely Cheap Energy Stocks in 2019

## Description

Do you want to get high returns by investing in stocks that are positioned for growth?

In 2019, energy stocks might help you do just that. After falling in 2018, oil prices are making a comeback, and energy stocks are set to follow right behind. Although energy has been a weak sector since 2014, falling 44%, beaten down stocks like these often make the best buys.



In this article I'm going to show you three energy stocks that are trading at low P/E ratios. Each of these stocks is trading near 52 week lows despite steady growth. Two of the stocks on this list are growing earnings in the high double digits, and one of them trades at just 10 times forward earnings.

We can start by looking at a stock that grew revenue at 50% in its most recent quarter.

**Keyera Corp** (TSX:KEY)

Keyera Corp is an oil & gas transportation company based in Calgary. As a transportation firm, it makes money mainly by charging fees instead of a cut of oil & gas sales, so the company is not too exposed to oil price swings. In its most recent quarter, Keyera grew revenue by 50% despite the price of Canadian Crude tanking that quarter. If you like dividend income, Keyera will do you right, with a 6.39% forward annual dividend yield.

**Seven Generations Energy Ltd** (TSX:VII)

Seven Generations is a low-cost energy producer that focuses on environmentally friendly natural gas extraction. The company has two main projects: Montney, a low cost natural gas project spanning Alberta and BC; and Kakwa, a 500,000 acre LNG project in Northern Alberta. These projects are considered to be low-cost, high-margin extraction operations. Those high margins power strong growth, with Seven Generations growing revenue by 60% and net income by 129% in its most recent quarter. But if you think that growth has to come at a great cost, think again: Seven Generations trades at just 10 times forward earnings.

**Inter Pipeline Ltd** (TSX:IPL)

Inter Pipeline is probably the best-known stock on this list. It's an international oil & gas infrastructure company that processes, transports and stores energy. In Q4 2018, the company set AFFO and net income records, earning $593 million. With net income up 12% year over year, Inter Pipeline is a growing, thriving operation. But despite setting earnings records, the company trades at just 15 times forward earnings and two times book value, making it a relatively cheap stock–with a high dividend yield to boot.

**Bottom line**

The Canadian energy sector has not been a top performer over the past five years. During a period that saw the TSX return about 7-8%, energy stocks as a class have fallen almost 50%. But now, with oil set to recover, the energy sector could be set for a comeback. Right now, the oil sands have an abundance of stocks trading at or just slightly above 10 times earnings despite high growth. This could therefore be a great time to buy depressed energy assets on the cheap.

**CATEGORY**

1. Energy Stocks
2. Investing



**TICKERS GLOBAL**

1. TSX:KEY (Keyera Corp.)

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