



Attention: This Stock Has Soared 24% in Just 2 Weeks!

## Description

Do you want to find the next sector that will be the outperformer in the market for the remainder of 2019?

This stock that has soared 22% in just two weeks may be the place to start. The next place to put your money as the market continues to flirt with all-time highs and as trade tensions, consumer debt, and a rocky housing market continues to dim economic prospects going forward.

New life is being breathed into [energy stocks](#) in general in the last couple of weeks, as we continue to see strong results from energy companies that are looking increasingly undervalued today.

Investors are still not interested in the energy space. They are afraid because of all the negative headline news and the real problems that have plagued the industry.

At this point, however, we must take notice because energy stocks are generating cash flows that are adding value to the companies and to shareholders, and they are turning to a focus on returning this capital to shareholders rather than deploying it back into their businesses.

This, in turn, will reduce supply and improve the fundamentals of oil and gas pricing, while directly increasing shareholder value through dividend payments and a reduction in shares outstanding.

This is the opportunity.

**Birchcliff Energy Ltd.** ([TSX:BIR](#)), a \$960 million natural gas producer that just reported record first-quarter earnings and cash flow numbers, has rallied 24% in just two weeks as investors begin to take notice.

And it's hard not to take notice. This stock, trading at a price to cash flow multiple of 2.6 times at writing, is painfully cheap despite the fact that it is a high-quality company with a large undeveloped land base and access to a considerable amount of low risk drilling locations.

First-quarter adjusted funds from operations per share increased 44%, EPS increased 20%, operating

expense per boe declined 10%, and a very strong balance sheet with a debt to capitalization ratio of only 27%.

Outstanding results plus a dividend yield of 2.72%, yet the company, along with many other energy companies, is being shunned by investors.

**Tourmaline Oil Corp.** ([TSX:TOU](#)) is another [natural gas stock](#) that is posting exceptional results, yet not seeing the love from investors.

Trading at 3.5 times cash flow at writing, this undervalued company has just reported a 20% dividend increase and an 18% increase in cash flow per share, as it maintains a strong balance sheet that will ensure that this company will make it through the difficult times.

## Final thoughts

Many energy stocks, such as Birchcliff and Tourmaline, are trading at cyclical lows while generating strong cash flows, operating results, and maintaining strong balance sheets.

It is only a matter of time before they roar even higher. Position yourself now.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. TSX:BIR (Birchcliff Energy Ltd.)
2. TSX:TOU (Tourmaline Oil Corp.)

### PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

### Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

### Date

2025/08/27

### Date Created

2019/05/18

### Author

karenjennifer

default watermark