



## 3 Stocks for Investors Bullish on the Alberta Economy

### Description

Low oil prices and political obstacles have created many challenges for Alberta over the past several years. However, there's hope that better things might finally be in the cards, especially so now that a more oil and gas friendly [government](#) in the province now in place. If we do see a recovery in Alberta, the three stocks listed below could be in good positions to benefit from it.

**Canadian Western Bank** ([TSX:CWB](#)) has a strong presence in Alberta, and with firms doing better, particularly those in the oil and gas industry, it will likely drive more loans and spending, which in turn will likely translate into more business for the bank. It's no surprise that CWB's stock has lost a quarter of its value over the past five years, thus coinciding with the decline in oil prices.

As a result of the decline, the bank stock has become a bargain buy today, trading right around its book value at just 10 times earnings. Although it has consistently been able to turn a profit and pays investors a solid dividend, it hasn't been enough to generate much of a rally for the stock. Year to date, CWB's share price has risen by just 9%, and over the past 12 months it's down 16%. However, if Alberta starts to rally, so too will the Canadian Western Bank.

**Gamehost Inc** ([TSX:GH](#)) is another company that's heavily dependent on Alberta. Without a healthy economy in the province, its facilities and venues won't be able to produce strong results, which is why the stock has declined by 18% over the past 12 months.

Sales were down last quarter for the company, and in 2018, Gamehost's top line was up just 3%. Revenues are down more than 16% from 2014, when things were still going well for the province. A strong oil and gas industry will not only drive tourists to Gamehost's facilities, but will also result in more gambling activity as well.

The stock is an intriguing buy, as investors won't have to pay a big premium to own it today, and they'll also be able to lock in a very attractive [dividend](#) of more than 7%.

**Pembina Pipeline Corp** ([TSX:PPL](#))([NYSE:PBA](#)) has already been rallying this year, with the stock up 19% year to date. However, if we witness some traction on pipelines in Canada and more oil and gas projects as a result of stronger industry conditions, then this could be another one to keep a close eye

on.

Pembina has already started produced some good results, with sales up 7% in the company's most recent earnings report. Although profits are still a bit inconsistent, that could certainly improve with a higher price of oil.

Given the stock is trading near its 52-week high, investors might be hesitant, but that's also because the company has been performing so well, with 2018's sales well above where Pembina was back in 2014. Improved efficiencies and stronger results overall have made Pembina a stronger company and a better investment overall. However, there's no reason to think that the stock can't continue to climb further if things improve even more.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:CWB (Canadian Western Bank)
3. TSX:GH (Gamehost)
4. TSX:PPL (Pembina Pipeline Corporation)

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