



2 Top Stocks Under \$8 to Buy in July

Description

There are two energy stocks that can potentially bring huge near-term to long-term rewards for investors who want exposure to the oil and gas industry. **TORC Oil & Gas Ltd.** (TSX:TOG) and **Whitecap Resources Inc.** (TSX:WCP) are deserving of attention. Both are selling below \$8.00 at writing and are ideal [stocks for the budget conscious](#).

Not only are these low-priced top stocks, but the companies are among the highest dividend payers on the **TSX**. You can start building wealth and create extra income with this pair of nifty investments.

Light oil-weighted growth platform

TORC Oil & Gas is a celebrated stock, especially among dividend investors. There are many cheap stocks that lack the appeal of TORC. The energy stock is reasonably priced at \$4.09 at writing, but offers an outrageous upside.

The company has recovered from heavy losses dating back to 2015. In 2018, TORC is back in green territory. The remarkable turnaround surprised market analysts. From a bleak outlook, the sentiment has become markedly optimistic. For 2020, earnings are expected to grow by a whopping 94%.

The forecast seems unrealistic given that the past five-year average growth rate is only 11%. The net income of \$16.9 million in 2018 would level up to around \$33 million by 2020. Profit margins are also expected to rise from 3.86% to 4.40%. The management team should acknowledge for improving the balance sheet.

TORC's high dividend yield of 7.0% is the icing on the cake. The stock price could even double or triple as revenue accelerates in the coming years. Your purchase today could be the smartest investment move you'll ever make.

Mid-sized growth oil producer

Whitecap Resources Inc. is also for the bargain hunters. The price of \$4.25 is a real steal. The \$1.75 billion oil and gas entity is also coming from dismal earnings in 2017. Net income soared to \$65.1 million in 2018 after incurring losses of \$124 million the previous year.

The current stock price is practically unchanged and the same as when the year started. It climbed the highest in late April to \$5.92, though has stabilized at the present level. Similar to TORC, Whitecap Resources carries a recommended *buy* rating by analysts.

For the current year, the growth estimate is about 26.7% and analysts estimate higher growth of 126.3% by 2020. The average price target offered by analysts in the next 12 is \$8.50. By the coming winter, the value of your initial investment could soar by 100% more.

In terms of dividends, Whitecap Resources approximates the monthly dividends paid out by TORC. The company is focused on achieving an organic per share growth of 5% to 8% annually. Keep in mind that [oil and gas companies](#) are capable of raising dividends as oil prices surge.

There are no downsides only upsides when buying top stocks at bargain prices. TORC and Whitecap Resources will not disappoint investors. The earlier you can invest, the earlier you can secure massive gains. You don't want to miss the perfect entry points.

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1. TSX:WCP (Whitecap Resources Inc.)

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