



TFSA Investors: 1 Top TSX Stock for February

Description

Canadian Natural Resources ([NYSE:CNQ](#))([TSX:CNQ](#)) is a Canadian-based [senior independent energy company](#) engaged in the acquisition, exploration, development, production, marketing, and sale of crude oil, natural gas, and natural gas liquids (NGLs). Canadian Natural Resources was founded in 1973 and is headquartered in Calgary, Canada.

The company has over 10,000 employees and is quite inexpensive with a price-to-earnings ratio of 10.32, price-to-book ratio of 1.15, dividend yield of 5.46%, and market capitalization of \$28.17 billion. Debt is very sparingly used at Canadian Natural Resources, as evidenced by a debt-to-equity ratio of just 0.73.

The company's [principal core regions of operations](#) are Western Canada, the U.K. sector of the North Sea, and Offshore Africa. Canadian Natural Resources initiates, operates, and maintains a large working interest in a majority of the prospects in which it participates.

The company's objectives are to increase crude oil and natural gas production, reserves, cash flow, and net asset value on a per common share basis through the economic and sustainable development of existing crude oil and natural gas properties and through the discovery and acquisition of new reserves.

Operational discipline, together with safe, effective, and efficient operations and cost control are what set Canadian Natural Resources apart from competition. The company has achieved continued growth by consistently managing costs throughout all industry cycles. The company has grown through a combination of internal growth and strategic acquisitions. Acquisitions have been made with a view to either entering new core regions or increase the company's presence in existing core regions.

The company's business approach is to maintain large project inventories and production diversification. The company's large, diversified project portfolio enables the effective allocation of capital to higher-return opportunities, which, together, provide complementary infrastructure and balance throughout the business cycle.

Synthetic crude oil from the oil sands mining and upgrading operations accounted for 34% of 2020

production. Natural gas, primarily produced in Alberta, British Columbia, and Saskatchewan, accounted for 24% of 2020 production. Light and medium crude oil and NGLs represented 13% of 2020 production. Thermal oil accounted for 15% of 2020 production, primary heavy crude oil accounted for 9% of 2020 production, and Pelican Lake heavy crude oil accounted for 5% of 2020 production.

The company's midstream assets, primarily consisting of two operated pipeline systems and an electricity cogeneration facility, provide cost-effective infrastructure supporting the heavy crude oil and bitumen operations. Midstream assets also include a 50% interest in the North West Redwater Partnership.

Canadian Natural Resources has been very focused on the use of technology and innovation to reduce hydrocarbon emissions. The company undertakes projects such as carbon capture, sequestration, storage and utilization projects, including reduction and capture of methane, CO2 capture from hydrogen plants, and research into the production of biofuel from algae. In addition, the company installs renewable energy sources at remote locations.

Canadian Natural Resources has 20-year transportation agreements to ship 94,000 barrels per day of crude oil on the proposed Trans Mountain Pipeline Expansion. The company also has 20-year transportation agreements to ship 200,000 barrels per day of crude oil on the proposed Keystone pipeline.

CATEGORY

1. Investing

POST TAG

1. value investing

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. TSX:CNQ (Canadian Natural Resources Limited)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

Tags

1. value investing

Date

2025/08/24

Date Created

2021/01/28

Author

nikhilwaterloo

default watermark

default watermark