



## 3 Best Energy Stocks to Buy as Oil Surges

### Description

The energy sector took its fair share of lumps during the previous year. Demand for oil and gas plummeted as the COVID-19 pandemic forced new restrictions and shutdowns across the globe. Moreover, oil prices were also negatively impacted by infighting within OPEC. Energy stocks have bounced back nicely in early 2021. Sentiment for the oil and gas sector has improved on the back of a global economic rebound. Today, I want to look at the three best energy stocks to buy as favourable trends re-emerge for this sector.

### This super energy stock is surging

Earlier this week, I'd looked at [two heavyweight energy stocks](#) that were on my radar. **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) was one of the two energy stocks I'd suggested investors should snag this week. Its shares have climbed 16% month-over-month as of early afternoon trading on February 26. The stock is still down 32% in the year-over-year period.

Suncor released its fourth quarter and full year 2020 results on February 3. The company delivered a loss in Q4 2020 due to lower revenues and write downs. Still, things are looking up for Suncor and its peers.

This energy stock last possessed a favourable price-to-book value of 1.1. Suncor offers a quarterly dividend of \$0.21 per share. That represents a 3.3% yield.

### Pick up these shares as oil gains momentum

The price of WTI Crude was trading just below US\$62 in early afternoon trading on February 26. I'd suggested that investors should snatch up **Imperial Oil** ([TSX:IMO](#))([NYSE:IMO](#)) as oil continued to [gain momentum](#). Shares of Imperial Oil have climbed 13% in 2021 at the time of this writing.

Imperial Oil also unveiled its fourth quarter and full year 2020 results in early February. The company reported a steep net loss of \$1.14 billion or \$1.56 per share compared to net income of \$271 million or

\$0.36 per share in the prior year. Imperial Oil continued to encounter headwinds due to lagging demand in Canada and abroad. However, there is reason for optimism on the back of the ongoing global recovery.

Shares of this energy stock last had a promising P/B value of 0.9. Imperial Oil offers a quarterly dividend of \$0.22 per share, which represents a 3.1% yield.

## The last energy stock I'd snag today

**Cenovus Energy** ([TSX:CVE](#))([NYSE:CVE](#)) is the last energy stock I want to focus on today. Its stock has increased 19% in 2021 so far. Like its peers, it has thrived to start the New Year due to improving oil and gas prices.

The Calgary-based oil and gas firm posted a net loss of \$153 million in Q4 2020 – down from a profit of \$113 million in the prior year. It sustained a non-cash hit of \$100 million related to new U.S. President Joe Biden's decision to cancel the pipeline's permit on the first day he took office. Biden has proven to be a thorn in the side of Canada's energy sector early on.

Shares of this energy stock possess a favourable P/B value of 1.1. It offers a quarterly dividend of \$0.018 per share. This represents a modest 0.7% yield.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:CVE (Cenovus Energy Inc.)
2. NYSE:SU (Suncor Energy Inc.)
3. NYSEMKT:IMO (Imperial Oil Limited)
4. TSX:CVE (Cenovus Energy Inc.)
5. TSX:IMO (Imperial Oil Limited)
6. TSX:SU (Suncor Energy Inc.)

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### Date

2025/07/03

**Date Created**

2021/02/26

**Author**

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