



Enbridge's Impressive Q1 Earnings Show Positive Signs for Energy Stocks

Description

Enbridge Inc ([TSX:ENB](#))([NYSE:ENB](#)) is known as one of the best long-term Canadian stocks you can own. The blue-chip stock is a massive energy giant at the heart of the North American economy that provides strong and consistent growth for investors over the long run.

Not only is Enbridge a great stock to own, but over the last year, it's been one of the most [undervalued stocks](#) in Canada.

Enbridge was never really impacted that badly by the pandemic. However, because it's tied to the energy industry, the stock was sold off.

So over the last year, as many stocks recovered, Enbridge was a company that lagged behind the rest, along with several other [energy stocks](#).

So the stock has been one of the best stocks to buy for the long term since the pandemic [market pullback](#). And even with its recent rally, the stock is still considerably undervalued today.

Enbridge's earnings make it one of the top stocks to buy today

Not only is Enbridge stock cheap from a long-term perspective, but the company is also showing that it's still in a strong position today.

Enbridge touts itself as being highly diversified and a great option to invest in the energy industry due to its stability and ability to find perpetual growth, even through periods of turmoil in the cyclical energy industry.

So it was no surprise last year, in the middle of the pandemic, when the company raised its dividend again for the 26th consecutive year.

Enbridge is one of the top [dividend stocks](#) in Canada because it's such a cash cow. And it proved that again with its most recent earnings report last week.

Enbridge stock reported strong earnings per share of \$0.81 for the first quarter. That beat analysts' estimates in part due to stronger-than-expected volume on its pipelines. The stronger-than-expected throughput on its pipelines shows just how fast the energy industry is recovering.

These strong earnings are once again a great sign for long-term investors who own Enbridge. The sector is clearly recovering, and once again, Enbridge has weathered the storm.

As promising as this all is for Enbridge stock, though, it's also promising for the rest of the oil industry. It's especially promising for oil producers, such as **Suncor Energy Inc** ([TSX:SU](#))([NYSE:SU](#)).

Energy stocks like Suncor offer major value today

As I mentioned before, energy stocks across the board have been some of the last stocks to begin recovering. This means a lot of stocks, including Suncor, offer substantial value for investors today.

Suncor is a top choice because it has some of the best operations in Canada, which are well diversified and vertically integrated, allowing the company to be a lot more resilient than many of its peers.

As we saw with Enbridge stock's earnings, demand is picking up, shown by the increasing oil exports via its pipelines. This shows the sector is well on its way to recovery.

So with Suncor stock trading down roughly 30% off its pre-pandemic price, it's one of the top long-term stocks to buy in May.

With these stocks recovering rapidly, though, I'd take a position soon. They are only going to continue to get more expensive.

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