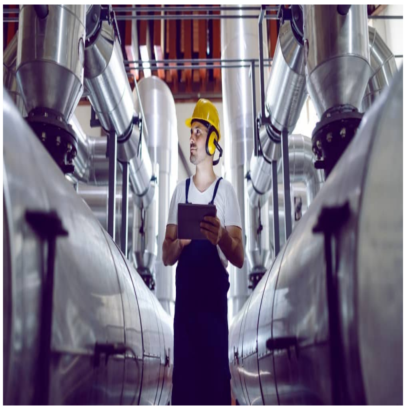

Enbridge (TSX:ENB) Earnings: Excellent Results for Q1 2021

Description

Enbridge (TSX:ENB)(NYSE:ENB) could be one of the best long-term Canadian stocks that you can own. The energy industry giant plays an integral role in the North American economy and has been a consistent source of growth for its investors for years.

Enbridge has become a highly undervalued stock due to the economic fallout from the pandemic. The company itself was never directly impacted by the pandemic. However, its strong ties to the energy sector saw many investors sell their shares in the company, causing Enbridge shares to decline.

While most stocks declined in the last year, most of them managed to recover to pre-pandemic prices. Many have even exceeded their all-time highs. Along with several other energy operators, Enbridge could not manage to pull off a rapid recovery due to the pandemic-fueled challenges for oil and gas companies.

As economic expansion continues, Enbridge looks poised to become an excellent asset to consider adding to your portfolio.

Earnings report makes it a top stock pick right now

Enbridge shares are up by more than 22% in the last six months. Despite its recent rally, the energy sector stock is still considerably undervalued today. The company's share price at writing is $46.70, making it an ideal choice for value investors seeking long-term returns. Enbridge also looks like it is in a good position today.

The company is a highly diversified way to invest in the energy industry due to its stability and ability to find growth during challenging market environments. The fact that Enbridge's management decided to raise its dividend payouts for the 26th consecutive year proves that the Canadian Dividend Aristocrat is a cash cow.

Its latest earnings report showed stellar earnings per share of $0.81 in Q1 2021, beating analyst expectations. The energy sector is recovering rapidly as evidenced by Enbridge's stronger-thananticipated throughput on its pipelines.

Positive news for the energy sector

Enbridge has successfully managed to weather the storm, and it's looking to make big waves. Oil producers like **Suncor Energy** (TSX:SU)(NYSE:SU) are also enjoying a better environment.

Energy stocks across the industry declined and were slow to recover. The recent trend of recovery for energy stocks means that many of the major players offer significant value to investors today.

Suncor is a well-diversified and vertically integrated energy sector operator that is more resilient than many of its competitors. The demand for crude oil is picking up, demonstrated by Enbridge increasing oil exports through its pipeline. It could be an ideal time to establish a position in Suncor amid recovering energy sector demand.

Foolish takeaway

The earnings report for Enbridge clearly indicates that the demand for its product is picking up. The increasing oil exports through its extensive pipeline network suggests that a sector-wide recovery might be underway. It could be an ideal time to pick up Enbridge and Suncor stock and hold onto the energy sector assets for the long run.

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