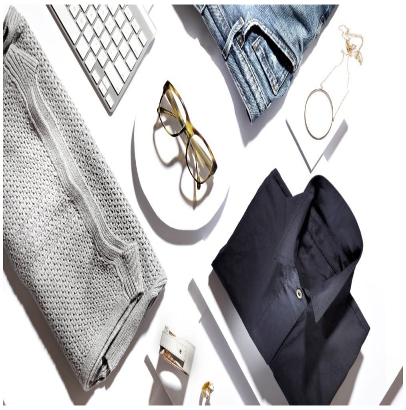

The 3 Best Energy Stocks (With Dividends) to Buy Amid Market Sell-Off

Description

As the stocks and oil prices continue to fall due to the resurgence of COVID-19 cases, some energy stocks are taking a hit. While investors are concerned about rising pandemic cases, the situation this time might not become as bad as last year. The availability of several vaccine options and rising vaccination rate across the United States and Canada is very likely to encourage governments to not impose 2020 like nationwide shutdowns. This should keep the ongoing economic growth intact.

That's one reason why I believe that oil prices could soon bounce back after going through a short-term correction. That said, it could be a good opportunity for Canadian stock investors to buy some cheap dividend stocks from the energy sector that are falling right now. Here are three of such **TSX** energy stocks that I'd buy as the market sell-off continues.

Suncor Energy stock

Suncor Energy (TSX:SU)(NYSE:SU) is a Calgary-based energy company with a market cap of $38.2 billion. Its stock is currently trading at $25.38 per share, with about a 14.5% decline in July.

Its Q1 revenue rose by 11.4% year-over-year (YoY) to $8.6 billion after declining in the previous four quarters in a row. Nonetheless, the company's revenue growth rate is expected to significantly rise in the next few quarters with consistently rising demand for energy products.

That's why Street analysts currently expect its second-quarter sales to nearly double from a year ago. Apart from its improving fundamentals, Suncor Energy stock also has a decent dividend yield of more than 3%.

Canadian Natural stock

Canadian Natural Resources (TSX:CNQ)(NYSE:CNQ) could be another good energy sector stock to add to your portfolio right now. Its stock is currently trading at $39.19 per share with about 28% year-to-date gains despite declining by 13% this month.

Its revenue rose by 47% YoY to $6.6 billion in the first quarter of 2021 after registering a 26.1% revenue decline last year. Analysts expect its full-year 2021 revenue to rise by nearly 58% compared to the previous year. Canadian Natural's long history of delivering profitable growth and its disciplined capital program make this energy stock worth buying for long-term investors despite the ongoing correction in the oil prices.

Interestingly, Canadian Natural's dividend per share rose by 85% to $1.70 per share in 2020 from $0.92 in 2015. Currently, its stock has a solid dividend yield of about 4.8%.

Imperial Oil stock

Imperial Oil (TSX:IMO)(NYSEMKT:IMO) could be another great Canadian energy stock to invest in right now. While its stock has lost nearly 12% this month to $33.41 per share, it's still trading with about 39% year-to-date gains. The stock has a dividend yield of about 3.2%.

Just like most other energy companies, the pandemic-driven shutdowns badly affected Imperial Oil's sales last year as it fell by 34% YoY. Despite facing pandemic woes, the company tried to keep its progress on key projects intact and improved its cost structure at the same time.

With the help of these factors, its 2021 revenue is projected to rise by more than 57% from a year ago to about $35.2 billion. As the ongoing concerns about new COVID-19 variants gradually subside, Imperial Oil stock will likely start soaring again.

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1. Coronavirus
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