



## The 3 Best Energy Stocks to Buy Right Now

### Description

Canada's energy sector was largely responsible for the red day the **S&P/TSX Composite Index** was suffering in mid-afternoon trading on July 27. Oil and gas prices have encountered some turbulence due to the rise of the Delta variant. There are concerns that rising global COVID cases could throw a wrench in the global economic recovery. The hope is that governments will be able to bolster vaccination rates into late 2021 to limit the damage of future waves. Today, I want to look at three energy stocks worth snatching up on the dip. Let's dive in.

### Why this energy stock is worth buying on the dip

**Suncor** ([TSX:SU](#))([NYSE:SU](#)) is a Calgary-based integrated energy company. Shares of this energy stock have climbed 20% in 2021 at the time of this writing. However, the stock has plunged 12% month over month.

The company faced huge challenges in 2020 as the COVID-19 pandemic ravaged the oil and gas industry. However, it has already shown signs of major improvement in late 2020 and early 2021. In Q1 2021, Suncor [delivered profit](#) of \$821 million. Its earnings were fueled by improved output and [higher oil prices](#).

Shares of Suncor are still trading in favourable value territory compared to its industry peers. The energy stock last had an RSI of 34. This puts Suncor just outside technically oversold levels. It also offers a quarterly dividend of \$0.21 per share, which represents a 3.2% yield.

### Imperial Oil is on the comeback trail in recent months

**Imperial Oil** ([TSX:IMO](#))([NYSE:IMO](#)) is another massive integrated oil company based in Calgary. Shares of this energy stock have increased 35% in 2021. Its shares have plunged 10% month over month.

Like Suncor, Imperial Oil has benefited from improved conditions in the oil and gas sector. Investors

can expect to see its second-quarter 2021 results on July 30. In the first quarter, the company delivered \$392 million compared to a net loss of \$188 million in Q1 2020. It delivered its highest Q1 upstream production in three decades.

Shares of this energy stock last had an RSI of 31. That puts Imperial Oil just outside technically oversold territory. Better yet, in Q1 2021, the company raised its quarterly dividend by 23% to \$0.27 per share. This represents a 3.2% yield.

## One more energy stock that offers big income

**Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) is the third energy stock I want to zero in on today. Pembina Pipeline is a fantastic target for those on the hunt for [big dividends](#). This company provides transportation and midstream services for the energy sector. Its shares are up 33% in the year-to-date period. The stock has performed well in the face of volatility.

In Q1 2021, Pembina reported total revenue of \$2.04 billion — up from \$1.67 billion in the first quarter of 2020. Meanwhile, cash flow from operating activities rose to \$456 million over \$410 million in the prior year. This energy stock last paid out a monthly dividend of \$0.21 per share, which represents a tasty 6.1% yield.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. NYSE:SU (Suncor Energy Inc.)
3. NYSEMKT:IMO (Imperial Oil Limited)
4. TSX:IMO (Imperial Oil Limited)
5. TSX:PPL (Pembina Pipeline Corporation)
6. TSX:SU (Suncor Energy Inc.)

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aocallaghan

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