



2 Top Energy Stocks to Buy Right Now

Description

The [search for value](#) remains in high gear for many investors. Indeed, the energy sector is one that many point to as a place to find incredible value today. Accordingly, the TSX is a place many such investors go shopping for energy stocks, historically.

However, some energy stocks are simply better than others. There's no doubt that oil prices have been highly volatile in recent years. Sure, we've seen oil prices recover in a meaningful way from last year's lows. However, some investors may remain shell-shocked from the ripple effect that low oil prices had on the sector 18 months ago.

That said, there's a lot to like about energy stocks right now. As we come out of this pandemic, energy demand is expected to boom. Here are two top energy stocks I think could be great ways to play this sector for those bullish on the recovery.

Top energy stocks: Cenovus Energy

Cenovus Energy ([TSX:CVE](#))([NYSE:CVE](#)) is one of the leading Canadian oil and gas companies in size and scale. The company has a [market capitalization](#) of \$19 billion with over 20% year-to-date gains. Moreover, the company has registered an astounding revenue growth in the previous quarter on a year-over-year basis. Its revenue stood at a whopping \$9.15 billion in Q2 of 2021, which was a staggering 200% increase as compared to the previous year.

These earnings have been boosted by rising oil prices, for sure. However, Cenovus's high operating margins are a result of prudent management and cost-cutting efforts in bad times. This is a company that's built to withstand pain, which is great for investors seeking energy stocks that can handle some volatility.

The company is on track to post some significant growth, should oil prices stabilize above US\$60 per barrel. Investors may need to wait and see on this front. However, Cenovus remains a top pick of mine for those bullish on the medium- to long-term outlook of this sector.

Northland Power

Renewable energy is still hot. And in this space, one of the energy stocks investors are continuing to gravitate toward is **Northland Power** ([TSX:NPI](#)).

Indeed, like Cenovus, Northland Power is one of the largest players in its sector. The company's renewable power-generation capacity of 2,500 megawatts is impressive. Additionally, the company has plans to increase its output by an additional 1,000 megawatts over time. As governments and institutions switch to renewable energy, the search for reliable sources will pick up. In this regard, Northland power is one of the top renewable energy stocks that will remain in focus for investors.

I see the long-term trend in renewable energy as a robust one. Accordingly, I think Northland has staying power as a great long-term core portfolio holding today.

CATEGORY

1. Energy Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CVE (Cenovus Energy Inc.)
2. TSX:CVE (Cenovus Energy Inc.)
3. TSX:NPI (Northland Power Inc.)

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