Canadians: 3 Dirt-Cheap Energy Stocks to Buy Today

Description

Canada's energy sector took a big hit during Monday's market correction. Oil and gas prices have enjoyed a nice run up in the final weeks of the summer. This recent pullback should not dissuade investors from snatching up energy stocks. Today, I want to look at three energy equities that look cheap as we move into the final days of September. Let's dive in.

Why I'm still looking to snag this top energy stock

Suncor Energy (TSX:SU)(NYSE:SU) is one of the largest integrated energy companies in Canada. Shares of this energy stock have climbed 12% in 2021 as of close on September 20. The stock plunged 2.88% on the same day.

The company released its second-quarter 2021 results back in late July. Funds from operations were reported at $2.36 billion, or $1.57 per common share — up from $488 million, or $0.32 per common share, in the prior year. Moreover, cash flow from operating activities rose to $2.08 billion, or $1.39 per common share, compared to $768 million, or $0.50 per share, in the second quarter of 2020. Suncor and its peers are well positioned, as oil and gas demand is on the rise in this economic rebound.

Shares of this cheap energy stock last had a price-to-earnings (P/E) ratio of 23. That puts Suncor in favourable value territory relative to its industry peers. It still offers a quarterly dividend of $0.21 per share, which represents a 3.5% yield.

This cheap energy equity just hiked its dividend

Many energy stocks, including giants like Suncor, were forced to slash their dividend payouts in the face of the COVID-19 pandemic. However, a recent dividend hike from **Crescent Point Energy** (TSX:CPG)(NYSE:CPG) illustrates that the industry is storming back. This Calgary-based company explores, develops, and produces light and medium crude oil and natural gas reserves. Shares of this energy stock have climbed 58% in the year-to-date period.

In late July, Crescent Point delivered adjusted funds flow from operations (AFFO) of $387 million, or $0.66 per share — up from $109 million, or $0.21 per share, in the prior year. Meanwhile, adjusted net earnings in the year-to-date period rose to $212 million, or $0.38 per share, compared to $20.8 million, or $0.04 per share, in the second quarter of 2020.

On September 13, Crescent Point announced that it would increase its quarterly dividend to $0.03 per share. This represents a 2.5% yield. It was bolstered by its significant net deb reduction. Shares of this energy stock possess a very attractive P/E ratio of 1.3. This is a stock well worth targeting in late September.

Here's another energy stock with a top dividend offering

TC Pipelines (TSX:TRP)(NYSE:TRP) is a Calgary-based energy infrastructure company. Shares of this energy stock have increased 17% in the year-to-date period. The stock plunged 2.23% on September 20.

This company released its second-quarter 2021 earnings on July 29. It reported net income attributable to common shares of $982 million, or $1.00 per share. TC Pipelines made significant progress on several projects and announced a partnership with **Pembina** to jointly develop a carbon transportation and sequestration system in Alberta.

Shares of this energy stock possess a solid P/E ratio of 29. TC Pipelines last paid out a quarterly dividend of $0.87 per share, which represents a strong 5.6% yield.

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