



Here's Why Energy Stocks Could ERUPT in 2022

Description

Oil and gas prices experienced a [significant boom](#) in 2021 on the back of rising demand. The vaccine rollout led to loosening restrictions in the spring and summer season. Canada's top energy stocks benefited in this environment. However, that momentum was extinguished in part due to the rise of the Omicron COVID-19 variant. Fortunately, oil and gas prices started to rebound in early December.

Goldman Sachs recently projected that the price of WTI crude could reach \$100 per barrel in 2022 due to demand outpacing supply growth. This positive environment for the global energy space should also spillover for Canadian producers. Today, I want to look at three energy stocks that could win big in 2022. Let's jump in.

Why Suncor is one of the best energy stocks to own this year

Suncor ([TSX:SU](#))([NYSE:SU](#)) is a Calgary-based integrated energy company. Shares of this energy stock climbed 54% in 2021. It rose 5.7% to open 2022 trading on the TSX on January 4.

Investors can expect to see Suncor's final batch of fiscal 2021 results on February 2, 2022. In Q3 2021, Suncor posted funds from operations of \$2.64 billion, or \$1.79 per common share — up from \$1.16 billion, or \$0.76 per common share, in the third quarter of 2020. Moreover, total upstream production increased to 698,600 barrels of oil equivalent per day (boe/d) compared to 616,200 boe/d in the previous year.

This energy stock possesses a favourable price-to-earnings (P/E) ratio of 20. Moreover, it recently hiked its quarterly dividend back to \$0.42 per share. That represents a [strong 5% yield](#).

Don't sleep on this super oil and gas producer

Imperial Oil ([TSX:IMO](#))([NYSE:IMO](#)) is another Calgary-based company that explores for, produces, and sells crude oil and natural gas. This energy stock surged 94% in 2021. Its shares increased 3.2% on January 4. I'd [suggested](#) that investors buy Imperial Oil stock back in November.

The company released its third-quarter 2021 results on October 29. Imperial Oil will unveil its Q4 and full-year 2021 earnings on January 31, 2022. In Q3 2021, Suncor saw net income increase \$905 million year over year to \$908 million. Meanwhile, net income in the first nine months of 2021 rose to \$1.66 billion compared to a loss of \$711 million in 2020. Imperial Oil delivered its higher quarterly production in over three decades.

Shares of this energy stock still possess solid value compared to its industry peers. It offers a quarterly dividend of \$0.27 per share, which represents a 2.2% yield.

Here's another energy stock to snatch up in this exciting climate

Canadian Natural Resources ([TSX:CNQ](#))([NYSE:CNQ](#)) is the third energy stock I'd look to buy in early 2022. The company acquires, explores for, develops, produces, markets, and sells crude oil, natural gas, and natural gas liquids. Its shares have increased 82% in 2021. The stock rose 2.3% on January 4.

In Q3 2021, Canadian Natural Resources posted a profit of \$3.3 billion, or \$1.86 per share — up from \$408 million, or \$0.35 per diluted share, in the prior year. Meanwhile, revenue rose to \$7.7 billion compared to \$4.5 billion in Q3 2020. The company benefited from a significant spike in daily production.

This energy stock possesses an attractive P/E ratio of 11. Moreover, it offers a quarterly dividend of \$0.588 per share. This represents a solid 4.3% yield.

CATEGORY

1. Energy Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. NYSE:GS (Goldman Sachs)
3. NYSE:SU (Suncor Energy Inc.)
4. NYSEMKT:IMO (Imperial Oil Limited)
5. TSX:CNQ (Canadian Natural Resources Limited)
6. TSX:IMO (Imperial Oil Limited)
7. TSX:SU (Suncor Energy Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin

3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. aocallaghan
2. kduncombe

Category

1. Energy Stocks
2. Investing

Date

2025/08/14

Date Created

2022/01/05

Author

aocallaghan

default watermark

default watermark