



Oil Bull Market: 3 Top ETFs to Buy Today

Description

Oil prices continued to gain momentum in early afternoon trading on January 26. The price of WTI crude was up 2.5% to US\$87 per barrel at the time of this writing. Meanwhile, the price of Western Canadian Select (WCS) jumped 3.2% to \$72 per barrel. Tight supply and tensions between Russia and Ukraine have kept this market hot in late January. Today, I want to look at three [exchange-traded funds \(ETFs\)](#) that are worth targeting, as the broader oil market continues its climb.

Here's the first oil-focused ETF you should consider today

Investors who are hungry for exposure solely to the price of crude oil should look to **Horizons Crude Oil ETF** ([TSX:HUC](#)). This ETF seeks to correspond to the performance of the Solactive Light Sweet Crude Oil Winter MD Rolling Futures Index. Shares of this ETF have climbed 8.7% in 2022 at the time of this writing. It has soared 68% in the year-over-year period.

While tight supply and geopolitical conflicts give a boost to crude oil, this ETF should continue to deliver for investors. If you choose to hold this fund, you will want to monitor the price fluctuations for crude oil going forward.

Don't sleep on this fund that offers broad exposure to top energy stocks

Instead of seeking access to crude oil futures, investors may want to [target energy stocks](#) more broadly. **iShares S&P/TSX Capped Energy ETF** ([TSX:XEG](#)) seeks to replicate the performance of the S&P/TSX Capped Energy Index. It offers targeted exposure to companies in the Canadian energy sector. Shares of this energy ETF have climbed 12% in the year-to-date period. It is up 107% from the same time in 2021.

Some of the top holdings in this ETF include familiar energy stocks like **Canadian Natural Resources**, **Suncor Energy**, **Cenovus Energy**, and **Tourmaline Oil**. These energy stocks have [benefited significantly](#)

from the surge in oil and gas prices. This ETF last paid out a quarterly dividend of \$0.058 per share. That represents a 1.43% yield.

One more oil and gas ETF to snatch up right now

BMO Equal Weight Oil and Gas ([TSX:ZEO](#)) is the last oil-focused ETF that I'd recommend seeking out today. Shares of this ETF have climbed 9.2% in 2022 so far. The ETF is up 69% in the year-over-year period.

This ETF offers exposure to Canadian oil and gas stocks. It is more growth-oriented than the previous fund. Moreover, it is equal weighted to avoid security specific risk. That said, the risk rating on this ETF is still high, according to its fund facts.

The top holdings in this fund include Cenovus Energy, **Imperial Oil**, **TC Energy**, and dividend heavyweights like **Enbridge** and **Pembina Pipeline**. This ETF last paid out a quarterly dividend of \$0.38 per share. That represents a 2.9% yield.

CATEGORY

1. Energy Stocks
2. Investing

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1. Editor's Choice

TICKERS GLOBAL

1. TSX:HUC (Horizons Crude Oil ETF)
2. TSX:XEG (iShares S&P/TSX Capped Energy Index ETF)
3. TSX:ZEO (BMO Equal Weight Oil & Gas Index ETF)

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Date

2025/09/27

Date Created

2022/01/27

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