



Don't Miss Out on Canadian Natural Resources Ltd.'s Bargain Prices. Act Now!

Description

As WTI crude prices close out another trading day below \$50.00 per barrel, it is becoming increasingly difficult for investors to find stocks with both short and long-term upsides. The oil market in Alberta has been hit with layoffs, cuts to capital spending, and the beginnings of a mini-recession. Yet there are a handful of energy companies worth investing in that can bring about returns to your portfolio in 2015 and beyond.

One of these stand-out energy companies is **Canadian Natural Resources Ltd.** ([TSX:CNQ](#))([NYSE:CNQ](#)), which has managed to maintain its stocks value over the past couple of quarters. It also enjoys the enviable position of a well-balanced portfolio of light crude, heavy crude, and natural gas production. There have only been a handful of opportunities for investors to begin a position in Canadian Natural Resources, and this moment may very well be one of them.

Navigating the peaks and valleys

Knowing when to begin a holding in a company is key to maximizing your long-term returns, and with Canadian Natural Resources we see a pattern of excellent jumping-in points. In the past nine years we see three major stock price peaks spread between two significant lows. In June 2008 the stock soared to \$55.65, which was followed by a crash price of \$18.25 in February 2009. The stock managed to recover in the coming years with a second peak of \$50.26 in February 2011, but it fell again to \$25.58 in July 2012.

Looking at these peaks and valleys, we see a combination of seasonal factors and overarching sways of the market at play. In more recent times the stock managed to reach its third peak in nine years when it reached \$49.57 in June 2014. The interesting part is that following the crash in oil prices that began in November, Canadian Natural Resources' stock did not return to any of its previous crash positions. Instead, it only fell to the \$31.00 range in December and has been defying the market by clawing back its value ever since.

Gazing into the near future

On Monday Canadian Natural Resources saw its stock price close at \$37.35, continuing its recovery

despite the current price of crude. Although the stock price has recovered by \$6.00 in the past couple of months, the most recent set of analysts' price targets show that there is still time for investors to make a move and see some profits in 2015.

The average price target at the moment is only \$42.70, but some of the most recent price targets paint a very interesting picture. For instance, **National Bank Financial** currently has the most bullish price target, which it just raised from \$43.00 to \$46.00 with an outperform rating. Not far behind is **CIBC** with a price target of \$45.00 and **TD Securities** with a price target of \$43.00.

Leading the pack

Canadian Natural Resources managed to boost its net earnings to \$1.2 billion from \$413 million during the height of the crude oil crash. The company also remains committed to sustaining its cash flow through any means necessary, including a decision to cut the salary of its management committee by 10% at the beginning of March. This is a very different approach than the approaches taken by many its competitors, who have opted to layoff front line staff instead.

The company is rich in both energy reserves and free cash flow that will give investors a sense of security until energy prices return to a normal range.

CATEGORY

1. Energy Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. TSX:CNQ (Canadian Natural Resources Limited)

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Date

2025/08/24

Date Created

2015/03/24

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