

Cenovus Energy Inc

16:05 16 Sep 2019

Oil stocks fueling record highs on Toronto Stock Exchange

The Toronto Stock Exchange hit a record high on Monday after major gains from heavyweight oil stocks.

The S&P/TSX Composite Index hit a high of 16,767.2 points on Monday morning before closing the trad at 16,751 points.

Global oil prices surged on Monday after a weekend attack on an oil facility in Saudi Arabia disrupted supply and highlighted the major oil producing country's previously unthought-of vulnerability.

READ: Eco Atlantic Oil & Gas shares rise on Joe-1 discovery well result

The benchmark West Texas Intermediate price jumped to US\$62.73 in early afternoon trade before closing at US\$61.64, a gain of 12.4% on the day. Canadian oil prices saw a similar rise, with Western Canadian Select Crude prices closed above the C\$50 mark, gaining 18.4% on the day to finish at C\$50.49.

The S&P/TSX Canadian Energy Index jumped 9.3% to close at 147.8 points.

Toronto-listed energy companies seeing the biggest gains included Encana Corporation (TSE:ECA) (NYSE:ECA), up over 16%, Cenovus Energy Inc (TSE:CVE) (NYSE:CVE) at 12.1%. and Canadian Natural Resources Limited (TSE:CNQ) (NYSE:CNQ) at 12.8%.

The fast-evolving oil picture could also mean future gains for smaller exploration and development companies doing business in North America.

Over on the TSX Venture Exchange, junior producer Pulse Oil Corp jumped 4.8% at C\$0.11, while others like Point Loma Resources Ltd (CVE:PLX) (OTCMKTS:FMTNF), Hillcrest Petroleum Ltd (CVE:HRH) (OTCMKTS:HLRTF) and Eco (Atlantic) Oil & Gas Ltd (CVE:EOG)(LON:ECO) held flat in Toronto.

In London, however, Eco Atlantic shares raced to a 10.3% gain on Monday to trade at 193p after it confirmed back-to-back exploration successes in Guyana.

READ: Point Loma Resources to upsize its private placement to C\$1.65 million

Roth Capital Partners analyst John White said in a note on Monday that, In the intermediate term, the attacks this weekend on Saudi oil infrastructure could result in a "geopolitical premium" being built into crude oil prices as the market adjusts to the possibility of additional attacks.

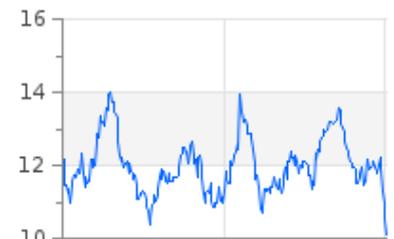
"The amount of premium is difficult to estimate and will depend on possible Saudi military retaliation and subsequent outcome," White noted.

The analysts estimated, however, that the premium, if it materializes, would be in the range of US\$2 to US\$5 per barrel

Price: 9.87

Market Cap: \$12.13 billion

1 Year Share Price Graph



February 2019 August 2019 February 2020

Share Information

Code: CVE

Listing: TSX

52 week	High	Low
	14.31	9.41

Sector: Oil & Gas

Website: www.cenovus.com

Company Synopsis:

Cenovus Energy Inc. is an integrated oil company. The Company's operations include enhanced oil recovery (EOR) properties and established crude oil and natural gas production in Alberta and Saskatchewan. It also has ownership interests in two refineries in Illinois and Texas, United States.

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for WTI crude oil.

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