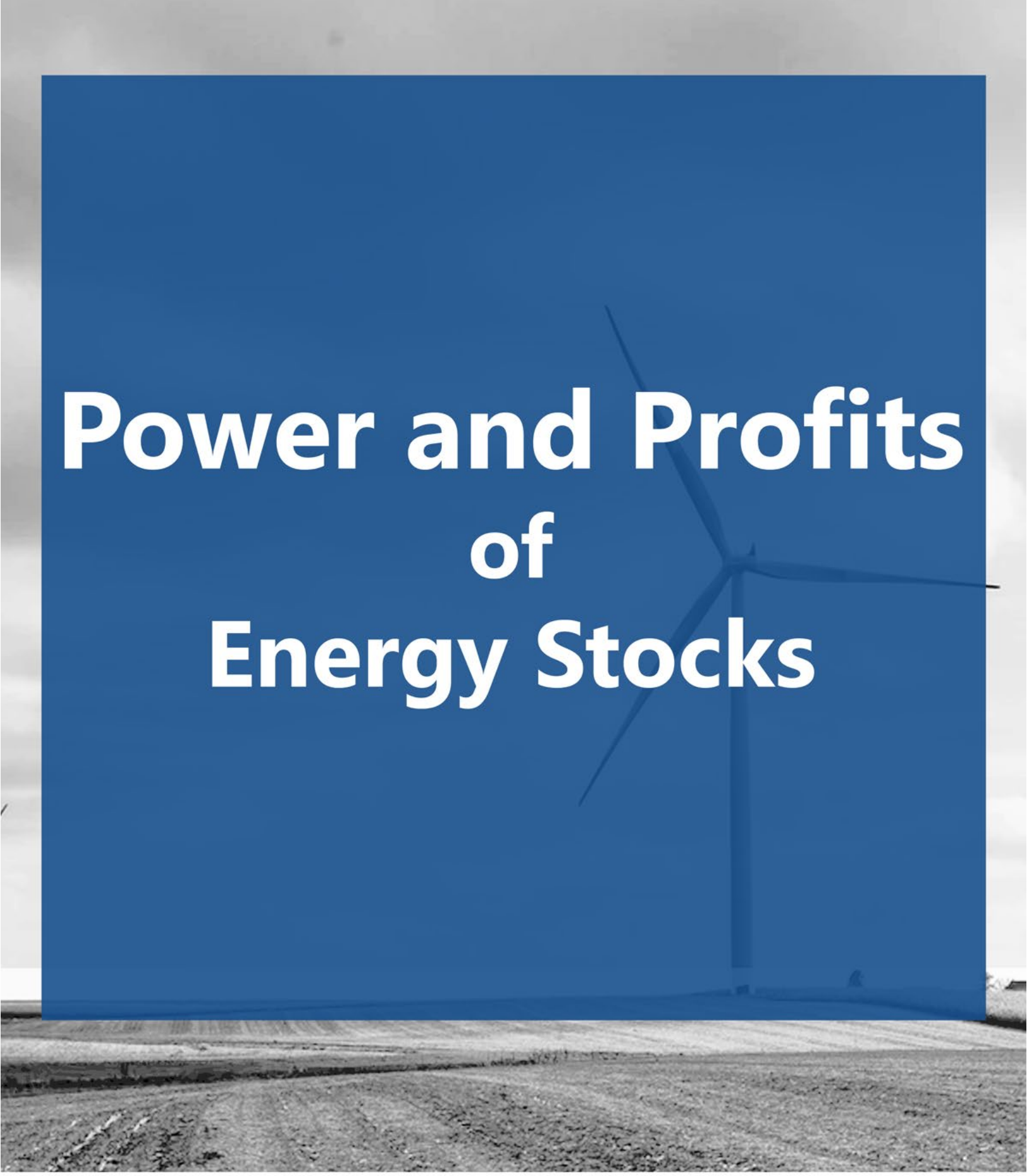

Power and Profits of Energy Stocks

TSI Network

FREE REPORT

Power and Profits of Energy Stocks (March 2026)

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Introduction: How energy stocks reflect a changing world

Oil and gas prices have spiked in the wake of the latest U.S.-Israeli attack on Iran and the closure of the Strait of Hormuz.

But when energy markets normalize, here's their outlook: The long-term push to sharply cut oil and gas use—including through renewable power generation or electric vehicles (EVs)—will continue. But at the same time, it's clear that there will be a prominent role for oil and gas for quite some time. That means top oil and gas firms will keep profiting—and paying high dividends.

In short, oil will likely remain the largest source of primary energy, as it is required for industrial manufacturing, including as a raw material, and commercial transportation. Natural gas demand is also forecast to rise, mainly to help meet increasing need for electricity to power burgeoning artificial intelligence (AI) datacentres.

All in all, we recommend that most investors maintain exposure to this industry as part of a balanced portfolio. But to cut risk, you should focus on producers with positive cash flow even at low energy prices.

Meantime, here's some background:

Why energy stocks remain an important investment

Rising oil and gas prices boost the profitability of energy companies in Canada and around the world. That attracts investors and spurs new buying in the industry.

Meanwhile, high-quality energy stocks—or resource stocks, generally—can also provide you with a hedge against inflation as well as other hidden benefits.

A client of mine, "Dr. J.," said to me, "Pat, you advise investors to spread their money out across most if not all of the five main economic sectors. Why not just leave out the resource sector?"

I think that's a bad idea. It disregards the one key contribution that resource stocks make to a sound portfolio, as you'll see below. But I'm sure many investors agree with Dr. J. After all, the resource sector was weak for several years.

Diversification paid off

Until the recent spike in oil and gas and other commodity prices, Dr. J. had calculated that his resource stocks produced negative returns for many years. He also found that in the past 20 years, the compound return on resource sector stocks has been the lowest of all five sectors. The resource sector was also more volatile than any of the other four sectors.

Overall, though, Dr. J. is quite happy with the returns he has had since we began managing his money for him, prior to the start of the 2008-9 financial crisis. That's because the diversified

portfolio we built for him included a number of above-average performers, which more than offset his resource underperformers. But while he's happy with upticks in his resource stocks, he wonders if the resource sector is simply plagued by too many drawbacks to deserve a permanent spot in his portfolio going forward.

During our talk, he focused on three of these drawbacks.

1. Resource companies need to make large, high-risk capital investments;

2. They operate in commodities businesses, so it's hard for any one of them to build a lasting advantage over rivals;

3. While companies from other sectors can build up hidden value from research they carry out, and from appreciation of real estate they own, resource companies can have hidden liabilities from unknown and unpredictable environmental clean-up costs.

There's something to each of these negatives, of course. But it's human nature to dwell on drawbacks like these after a long period of weak performance in the sector.

More to the point, none of these setbacks is unique to the resources sector.

For example, manufacturing companies also have to make large, high-risk capital investments in plants and equipment. Drugmakers in particular have to invest vast sums in every new drug they try to bring to market. Despite huge investments in time and money, a new drug can fail to win regulatory approval.

That's why we stayed out of drug stocks in the late 1990s, when these stocks were broker/media darlings. We only bought drug stocks for our clients after the 2008 stock market plunge. By then, drug stock prices had come back down to much more attractive levels.

Energy is a cyclical sector

When times are good, investors ignore investment drawbacks and pitfalls. When times are bad, investors pay too much attention to risk.

Resource companies produce and sell commodities. So, it's hard for them to bring a distinct product to market. But they can distinguish themselves by how well they find and produce their products.

Today's resource projects call for a great deal of engineering, financing and political expertise. The top resource companies—such as Imperial Oil or Suncor—acquire a lasting competitive advantage by developing their expertise in these areas.

This expertise is another type of hidden asset. It doesn't appear on the balance sheet, but it gives resource stocks an advantage in every project they undertake.

Resource companies, including energy producers, do sometimes turn out to have hidden environmental liabilities, as do companies in other sectors. But the top stocks in the sector also create their own hidden assets. They accumulate rights to promising drillings site long before the

land rush starts. They have the technical and political skills they need to foresee and deal with environmental and political obstacles.

This expertise becomes more important as resource technology advances. For instance, recent advances in oil and gas drilling technology, including fracking, helped bring on the plunge in oil prices. The new technology made it possible to vastly increase oil production, even from deposits that were once considered worthless.

Energy stocks, though volatile, tend to rise with inflation

The resource sector, including energy companies, is subject to wide and unpredictable swings in the prices it gets for its products. In the rising phase of the business cycle, when business is booming, resource demand expands faster than resource supply, so resource prices shoot up.

This expands profits at energy companies, in particular. When the economy slumps, those energy prices fall, and this drags down profits and stock prices.

In addition to rising and falling with the business cycle, however, energy stocks have a history of rising along with long-term inflationary trends. This gives them a rare ability: they provide a hedge against inflation.

Back in the inflationary 1970s and 1980s, investors used to see this hedge-against-inflation ability as the main reason for buying resource stocks. Subsequent to that, they rarely thought of it. That's because inflation waned for three decades.

But now, inflation, while lower, is still relatively high. And while resource stocks have retreated a bit lately on fears of an economic slowdown, worries that inflation will be hard to rein in are still helping to keep prices high.

How to pick the right energy stocks for your portfolio

Investing in energy shares could provide attractive long-term returns for your portfolio. As well, we recommend that most investors maintain some exposure to the Resources sector—and energy stocks—as part of a well-balanced portfolio.

The future direction of energy prices depends on a lot of things, particularly economic growth rates around the world. Meanwhile, though, well-established companies in the energy industry were able to take advantage when prices were low to pick up properties and employees who might be harder to find in more prosperous times.

Most investors who are looking at investing in energy would likely think of oil and gas first. But energy stocks also include nuclear power and green energy from renewable resources such as solar power, wind power, geothermal power and ocean currents.

Notably, the energy segment can play a crucial role in your portfolio as a hedge against inflation. The low inflation rates of (most of) the past couple of decades deserved much of the blame for the poor performance of the sector. But now that they have rebounded, energy stocks could grow significantly for years to come.

You can profit over the long term by investing in well-established and well-managed companies that are active in businesses that involve highly volatile commodities like oil and gas. You profit all the more if you buy these companies when they are cheap in relation to earnings and assets.

We recommend that uranium and coal stocks make up only a limited portion of your portfolio's resource segment. The demand for uranium and coal may increase, but it will take a keen investment eye to find the most profitable stocks to invest in.

35 tips to profit from energy stocks

1. Look for oil and gas exploration companies that have cash flow from existing wells that is sufficient for, or at least contributes to, the development costs of additional wells.

2. Look at the market cap of oil and gas exploration companies versus the estimated value of the reserves they have in the ground. Sometimes, a company's marketing efforts are so successful that they drive the stock up too high in relation to the size of their findings. We like an oil and gas exploration company's market cap to be no more than half the value of the oil and gas in the ground.

3. Invest in oil and gas energy stocks that use innovative new drilling and exploration techniques. Staying ahead of the curve will keep them in business.

4. Invest in oil and gas energy stocks that own diversified drilling sites in multiple geographic locations where exploration has been successful in the past.

What to know about investing in energy stocks through juniors:

5. Junior energy stocks are risky to invest in, because it's relatively cheap and easy to launch a penny oil or other energy stock and sell stock to the public. So, the junior energy promotion business attracts more than its share of unscrupulous operators and stock promoters.

6. Stay away from junior energy stocks operating in insecure and politically unstable regions such as the Congo and Venezuela, or in countries with little respect for property rights and the rule of law, such as Russia or Mongolia. Resource extraction is inherently a politically vulnerable business; you can't move the oil wells to another country, and local citizens sometimes believe that a foreign resource company is robbing them of their birthright, even though they need the foreign company's capital and expertise to get any value out of the ground.

7. Invest only in pure-exploration junior energy shares—those that operate in an area with geology that is similar to that of nearby producers. Look for favourable factors, like attractive geology, not hostile environments, like the high Arctic.

8. Invest in well-financed juniors with no immediate need to sell shares at low prices, since that would dilute existing investors' interests. The best juniors have a major partner who has agreed to pay for the drilling, or other exploration or development costs, in exchange for an interest in the property.

9. Invest in juniors with strong balance sheets, low debt and positive cash flow, preferably even when commodity prices are low. Even better, we like to see junior energy stocks that have cash flow from existing wells that is sufficient for, or at least contributes to, the development costs of another prospect.

What to know about investing in energy stocks through natural gas companies:

10. The price of natural gas, like the price of oil, is highly volatile. It's a bad idea to base investment decisions on predictions of future natural gas prices, because these predictions are simply not reliable.

11. Weather affects prices. In the summer, natural gas prices can jump if it's unusually hot or if hurricanes disrupt production. In both cases, this leads to greater demand for natural gas-generated electricity for air conditioning. That spike in prices can continue into the fall considering hurricane season can last until the end of November in some parts of North America.

12. Natural gas prices are low. If natural gas prices continue to stay low, energy companies will have less incentive to drill for natural gas. That will lead to lower supplies and, in the long run, higher prices.

13. The demand and cost of natural gas is rising. Around 60% of U.S. homes are heated with natural gas, and the clean-burning energy source is also used to generate electricity, another popular heating method. Most new electricity capacity brought on line right now is generated by natural gas, rather than oil, coal, water or nuclear. As well, when the price of crude oil increases, or remains high, some industries switch to natural gas. This leads to more demand, which could cause the price of natural gas to rise.

14. Manufacturers can utilize different resources. Many manufacturers and utilities are able to switch back and forth between using natural gas, oil and electricity. If oil gets cheaper, this would lower demand, and prices, for natural gas.

15. Pipelines are an important part of natural gas transmission. Natural gas is produced around the world, but the simplest way to transport gas is through a pipeline. Canada, which supplies around a sixth of U.S. consumption, is the main source of imported gas for the U.S.

What to know about investing in energy stocks through solar power companies:

16. Solar energy is very reliant on government subsidies. Even though sunlight is free, solar power costs considerably more to generate than power from traditional fossil fuels. The main reason is the high cost of building solar plants. This includes the cost of solar panels, mirrors, transmission lines and generators, as well as the cost to buy or lease the land to put them on.

17. Solar energy has competition from alternative power sources. Short of radical advances in solar-power technology, the long-term prospect for "grid parity"—the price at which it will be equally cheap to produce a kilowatt-hour of electricity from solar as from fossil fuels—relies in large part on the prospect of higher oil and gas prices, like those today, pushing up the cost of electricity generated from those sources. However, when oil and natural gas prices fall, it makes investment in solar power less attractive.

18. Solar energy is a rapidly changing technology. Solar power has attracted a lot of investment in recent years. That has quickly moved the technology forward. For example, advances in manufacturing techniques continue to steadily push down the prices of solar cells

and solar panels. At the same time, alternatives to costly silicon, which is currently used in most solar cells, are emerging. These include copper indium gallium selenium solar cells (CIGS cells). Technology advances add considerably to the risk of solar power companies that are focused on developing or making a single technology. That's because they constantly risk being overtaken by competitors with a superior product.

What to know about investing in energy through wind power:

19. While wind power stocks have appeal for a lot of investors on an emotional and conceptual level, many offer only limited investment potential. That's because they may need heavy government subsidies to be profitable—and an economic crisis could prompt governments to cut promised, or even agreed upon, subsidies.

20. Wind power has been used for centuries. It's been used around the world through the use of windmills for pumping water and milling grain. Historically, windmills are most associated with Holland, where they have been used extensively for centuries. Today, wind power plants use large blades to catch the wind, turning rotors in turbines that produce electricity.

21. Wind power has one key problem—it generates fluctuating power output, due to the variability of wind speed. These variations can be as short in duration as gusts. But wind speed also changes from day to night, and there are seasonal and even annual changes in wind strength. This variability means that utilities must maintain backup power capacity or costly storage, equal to their reliance on wind power. This complicates the stability of a power grid; it creates difficulties in power scheduling and technical problems related to voltage control. All these factors can cut the price that utilities are willing to pay for wind power.

22. Wind power can become less attractive after comparing the cost of building wind plants in relation to the potential return from the sale of power. This includes the price of the turbines and the cost to buy or lease the land to put them on. The cost of installation can be excessive, depending on the terrain and the distance from the power grid. Risking a large amount of capital for a technology that still is considered new and unproven makes it necessary in most cases to rely on government subsidies to attract investors.

23. Wind power stocks also face high construction costs. These include the cost of the turbines, themselves, plus buying or leasing the necessary land. Installation can also be expensive, depending on the terrain and distance from the power grid. Not surprisingly, many of these companies are heavily reliant on certain government subsidies and political support.

What to know about investing in energy stocks through uranium

24. Uranium stocks pose a unique challenge for investors who are a looking to diversify their natural resource holdings. Uranium's radioactive properties and use in nuclear weapons and reactors make it a controversial energy source.

25. There is a long lead time from exploration and discovery to production. That's especially so with uranium, which needs extra regulatory approval because of its radioactivity. When we're researching a uranium mining stock, we look for ones that operate in an area with geology that is

similar to that of nearby producing mines. Exploration of new areas where uranium hasn't historically been present is a gamble at best and should be avoided.

26. We recommend looking into uranium stocks that operate in the United States, Brazil and South Africa. Several countries, such as Niger, Namibia, Ukraine, Uzbekistan, Mongolia, and Jordan, have significant uranium resources. However, we generally stay away from mining companies that operate in insecure and politically unstable regions.

27. As with any energy commodity, when looking at uranium stocks, we also avoid those in countries with little respect for property rights and the rule of law such as Russia or Mongolia. Mining is particularly vulnerable to political instability. You can't move the mine to another country, and local citizens may sometimes get the impression that a foreign mining company is robbing them of their birthright, even though the foreign company's capital and expertise would appear to be the best way to get any value out of the ground.

28. Uranium by its very nature is radioactive. This increases the environmental constraints that will come into play when mining for this mineral. Uranium stocks will need to have strong balance sheets and environmentally sound mining practices. Regulation and containment of uranium ore is very costly.

29. When recommending uranium energy stocks, we look for low debt, because debt can be a problem for any mining company. When we recommend uranium mining stocks, we want to see positive cash flow, preferably even when uranium prices are low. Even better, we like to see mining companies that have cash flow from an existing mine that is sufficient for, or at least contributes to, the cost of developing a second mine.

30. We look for uranium stocks that have an experienced management team. We like to see teams that have a history of mine development and have financed similar projects in the past.

What to know about investing in energy through coal companies

31. Many workers are killed in coal-mining accidents every year (particularly in China). And unlike nuclear power, burning coal and oil to produce electricity results in the emission of harmful pollutants.

32. Nuclear power continues to have many environmental advantages over power generated using coal and other fossil fuels, even after Japan's Fukushima Daiichi disaster in March 2011.

33. Canadian National Railway (Toronto symbol CNR) is one of most the promising coal energy stocks because it operates under a long-term contract to ship coal from four of Teck Resources' southeastern B.C. mines (now operating as Elk Valley Resources) to west coast ports.

34. Recent years have seen many companies selling their coal interests. In 2014, Sherritt International sold its coal assets to pay down debt. It hung onto nickel operations in Cuba, Canada and Madagascar and its oil and gas operations in Cuba, Spain and Pakistan.

35. The federal government has plans to phase out all coal-fired power plants by 2030. The new rules also prevent utilities from operating these plants unless they use carbon capture and storage technology.

New oil drilling techniques can boost your investment returns

Oil exploration companies that continually improve their extraction techniques are more efficient and profitable for investors.

Many oil exploration companies have adopted a new standard for drilling. It is now commonplace to see multi-well pad drilling (or “octopus” drilling). This new drilling practice has been adopted by most major oil firms and is actively used by a number of companies we recommend, including Ovintiv and Imperial Oil.

Traditionally, oil exploration companies have needed a pad or land site for each well it drilled. However, multi-pad drilling lets producers drill as many as 50 wells from a single pad.

Here’s how the technology works: oil exploration companies set up a well pad and then install a multi-well rig. The drill from that rig then literally “crawls” on hydraulic tentacles to numerous drill locations within its range. When drilling at each location is completed, it takes just two hours for the rig to move to a new location. With traditional horizontal drilling methods, it takes about five days to move from pad to pad and start drilling a new well.

The practice of placing several wells on one pad has many benefits for oil exploration companies:

1. It reduces the impact of drilling multiple wells, which is especially important in populated areas.

2. The process eliminates the need for additional roads between drilling sites. This minimizes the disturbance in populated areas and cuts road construction costs.

3. In rural regions, producers can be more flexible about well placement, giving landowners more input on both the location of the wells on the property and the construction of roads.

4. Multi-well pads reduce the uncertainty involved with the permitting process. Most municipalities require a permit for each new well, so drilling multiple wells from the same pad increases the odds that permits will be approved.

5. Consolidating several wells on the same pad also lets producers reduce the number of storage tanks they need, further decreasing surface disturbance and operating costs.

Oil exploration companies ideally find deep, easy-to-access pools of oil and gas. But these are getting harder to find. So most companies now use hydraulic fracturing, or "fracking." This involves pumping water and chemicals into shale-rock formations that contain oil or natural gas. This fractures the rock and releases the oil and gas.

Vast amounts of oil and gas are now mined in fields in North America using fracking, including the Marcellus Shale in Pennsylvania, the Barnett Shale and Eagle Ford Shale in Texas and the Horn River Shale in B.C.

What to look for in an oil exploration company

Here are tips for finding top oil exploration companies:

- We like to see oil exploration companies that have cash flow from existing wells that is sufficient for, or at least contributes to, the development costs of further wells.

- We always look at the market cap of oil exploration companies versus the estimated value of the oil reserves they have in the ground. Sometimes, a company's marketing efforts are so successful that they drive the stock up too high in relation to the size of those reserves. We like an oil exploration company's market cap to be no more than half the value of the oil in the ground. We assume that the company will be able to expand its reserves after it opens more wells, but if the oil reserves are double the stock's market cap, it provides a margin of safety.

- We like to see oil exploration companies that invest in new drilling and exploration techniques

- The oil exploration companies we recommend have diversified drilling sites in multiple geographic locations where oil exploration has been successful in the past.

10 questions to ask about (former) oil royalty trusts before investing

On January 1, 2011, Ottawa imposed a tax on distributions of income trusts and royalty trusts. (Royalty trusts are a form of income trust. They profit from royalties associated with the sale of oil, natural gas or minerals.) The new tax put income and royalty trusts on an equal tax footing with regular corporations.

Virtually all oil royalty trusts then converted into conventional corporations. But some are still worth investing in—and investors will want to evaluate them with the same criteria.

Oil royalty trusts were a form of income trust. Income trusts were a type of investment trust that held income-producing assets. Canada offered special tax treatment for income trusts for many years. They flowed their income through to their unitholders, without paying much if any corporate tax. Investors paid tax on most of the distributions as ordinary income (although some distributions qualified as a tax-free return of capital).

Oil royalty trusts involved far more risk than most investors realize. This is why we recommended so few of them (and why we managed to find some real gems among the ones we recommended).

To review, royalty trusts were investment products that profited from royalties on the sale of production from natural resource companies. Oil royalty trusts profited specifically from oil.

The 2011 tax change resulted in virtually all oil royalty trusts converting into conventional corporations. However, the basic tests we used to ferret out good investments in trusts, and to reject bad ones, still apply today to the former oil royalty trusts.

In evaluating investments, many investors focus on what we'd call "investment outputs," like earnings, dividends, cash flow, return on equity, sales growth and so on. These are all important, of course, but you shouldn't focus on them to the exclusion of what you might call "investment inputs."

Investment inputs are harder to work with than investment outputs, since it takes a judgment call to determine their risk or value.

To give you a better idea of what we mean, here's a list of a dozen investment inputs that we look at before recommending any former oil royalty trusts:

1. Do you have any doubts about the integrity of the insiders? If so, stay out. Negative news about a former oil royalty trust should be investigated.

2. Was the former oil royalty trust a new issue, or an existing company that had undergone a trust conversion? New-issue former oil royalty trusts tend to be riskier than converted companies. A new issue is riskier still if it has been cobbled together from a group of companies that were bought and pooled to create the new issue.

3. Did the royalty trust buy its assets in the midst of a boom, or did it own them for some time? Bidding for assets in the midst of a boom tends to be risky.

4. How much debt is the former royalty trust carrying? If former royalty trusts carry too much debt in relation to their assets, their dividends can fall more sharply when their business hits a snag.

5. Is the business dominant, or at least prominent, in its industry? Former oil royalty trusts that are not significant players in their industries face higher risks.

6. How much of its cash flow is the former oil royalty trust paying out? Paying too much leaves a former royalty trust vulnerable to a cut in dividends. This can have a devastating effect on the share price.

7. Has the former oil royalty trust's cash flow and profitability shown acceptable performance in relation to the rest of its industry? If a former oil royalty trust can't make money when business is good, when can it make money?

8. Are there any special factors worth considering? With former oil royalty trusts, you need to look at how long its reserves are likely to last, as well as any other special factors.

9. Is the former oil royalty trust the subject of a lot of favourable broker and media attention? If so, investors' expectations may be too high, and that leaves the stock vulnerable to a steep downturn when there is any hint of bad news.

10. Is the former oil royalty trust's current and prospective yield high enough to justify the risk? On the other hand, a very high yield may signal danger rather than a bargain.

How to Profit in Solar Power

The attraction of solar power is obvious—a pure source of clean, endlessly renewable energy that can replace fossil fuels like oil, coal and natural gas. However, like many alternative energy sources, solar power has vast potential, but also risk to match.

The opportunity for stock market investors to profit from solar power is there—the technology is proven.

Notably, the near-term outlook for solar has weakened lately as both the U.S. and China have reduced support for the sector. For instance, China has removed grid access for all new large-scale commercial and industrial solar projects. New Chinese renewable power projects are also no longer guaranteed minimum purchase prices or grid volumes.

Longer term, though, look for pure solar stocks that have a distinct competitive edge that will let them prosper in the years ahead.

How solar power works

Solar energy has been used to warm buildings for thousands of years by combining building materials that absorb and slowly release the sun's heat. Design features, like large, sun-facing windows, have also been used. Modern solar technologies use the sun to heat water, provide daytime lighting and generate electricity. Many people already own a solar-powered device—a solar-powered calculator, for example.

Modern solar cells with practical uses were invented in the early 1950s, and have been used to power satellites since 1958. Solar panels began to be used for general applications in the mid-1970s, mostly for remote telecommunications, navigational aids and other rugged, remote industrial uses. Since the mid-1980s, they have powered devices that work in more urban settings, such as roadside emergency telephones and traffic sign boards.

However, right now the main growth area is using solar energy to generate supplementary electricity for utility customers who already have access to the power grid.

Photovoltaic solar power

Photovoltaic cells, also called solar cells, are typically made from silicon and absorb the energy in sunlight. This energy excites the electrons in the solar cells, which then break loose. These free-flowing electrons then become electricity. Solar cells are gathered together into solar panels. Then, large arrays of solar panels are connected together.

Current technology allows a solar cell to harvest percentage of the energy in the sunlight that contacts it.

However, when the sunlight is reduced or stopped (when a cloud passes in front of the sun, or when the sun goes down in the evening, for example), the conversion process slows or completely stops.

Finally, inverters transform about 96% of the electricity that solar cells collect into usable AC (alternating current) power from DC (direct current) power.

Concentrated solar power (CSP) and solar thermal power

In recent years, solar-power concentrators have emerged as a way to intensify the amount of sunlight hitting solar cells. They are the most expensive part of solar panels. To make solar power more affordable, engineers have sought to use less solar-cell material by concentrating sunlight onto much smaller spaces.

Concentrated solar power technologies use mirrors, lenses, parabolic dishes or other optics to direct and concentrate the sunlight.

In solar thermal applications, large mirrors or reflective troughs amplify sunlight to create heat, which then heats a liquid or gas that turns turbines and makes electricity. Solar thermal is most often used for large-scale power plants operated by utilities, usually in the desert.

Solar-power companies face three main risks:

1) Reliance on government subsidies

2) Competition from alternative power sources

3) Rapidly changing technology

Reliance on government subsidies: Even though sunlight is free, as we've already pointed out, solar power costs considerably more to generate than power from traditional fossil fuels. The main reason is the high cost of building solar plants. This includes the cost of solar panels, mirrors, transmission lines and generators, as well as the cost to buy or lease the land to put them on.

What's more, unless solar plants are built near conventional fossil fuel power plants, citizens may protest the installation of transmission lines on or near their property, or across natural habitats. The need to overcome those protests and get regulatory approval for new transmission lines, can add to the cost of a new solar-power project.

And finally, solar power still relies heavily on government subsidies wherever possible and political support. That support is based on environmental "clean" energy concerns and perceptions of climate-change urgency, as well as a push toward energy independence.

Competition from alternative power sources: Short of radical advances in solar-power technology, the long-term prospect for "grid parity"—the price at which it will be equally cheap to produce a kilowatt-hour of electricity from solar as from fossil fuels—relies in large part on the prospect of higher oil and gas prices pushing up the cost of electricity generated from those sources.

When oil and natural gas prices fall, it makes investment in solar power less attractive.

Solar power also faces competition from nuclear power. Right now, nuclear is gaining momentum in the U.S. to power data centres—plus China and India are steadily moving ahead with their plans to build a large number of nuclear power plants.

Coal is the considered the dirtiest of all fossil fuels—and a prime candidate for replacement by clean, renewable solar power—but is also by far the most abundant fossil fuel. Coal now supplies a significant portion of the electricity in the U.S. A breakthrough in clean-coal technology would reduce the contaminants and pollutants that come from burning coal, and push power prices lower. That would hurt demand for high-priced solar power. Eroded political will to allocate resources to climate-change issues would also boost demand for power from coal.

Rapidly changing technology: Solar power has attracted a lot of investment in recent years. That has quickly moved the technology forward. For example, advances in manufacturing techniques continue to steadily push down the prices of solar cells and solar panels.

At the same time, alternatives to costly silicon, which is currently used in most solar cells, are emerging. These include copper-indium-gallium-selenium solar cells.

Technology advances add considerably to the risk of solar-power companies that are focused on developing or making a single technology. That's because they constantly risk being overtaken by competitors with a superior product. As well, customers may hold off purchasing solar equipment if they believe a new technology is about to emerge. For these reasons, we think you would be far better off investing in companies with the research budgets to keep ahead of the competition and move quickly to embrace new technological developments.

How to Profit in Wind Power

Wind power has been used for centuries around the world through the use of windmills for pumping water and milling grain. Historically, windmills have been used in countries such as Holland for centuries. Today, wind power plants use large blades to catch the wind, turning rotors in turbines that produce electricity. Just as oil, coal or natural-fueled plants use steam or combustion gases to turn electricity-producing rotors, wind plants use wind turbines, often assembled on a large single wind site called a wind farm.

Most of the installed wind generating capacity today is in Germany, Spain and Denmark, although it is making inroads in North America, especially in Texas.

Despite its perception as a clean and renewable source of power, wind power does draw objections from environmental groups—and lately from the Trump administration.

As well, it has encountered a number of technical problems. For example, fixing and replacing wind power infrastructure presents significant challenges, creating a complex issue for the renewable energy industry as it scales up. While wind energy is cost-effective, the maintenance and end-of-life management of turbines involve high costs, logistical hurdles, and environmental concerns.

Meanwhile, many governments around the world are cutting subsidies for alternative energy investments as they look for ways to deal with their ballooning budget deficits.

However, one way to offset the risk of subsidy cuts is to look for alternative energy producers that have already secured long-term, government-guaranteed contracts for the power they generate.

Above all, we recommend investing in electrical power generating companies that are active in wind power but are also have a sound base of other operations to offset the added risks of wind power.

Concept has appeal, but wind power has problems

One key problem with wind power is that it generates fluctuating power output, due to the variability of wind speed. These variations can be as short in duration as gusts. But wind speed also changes from day to night, and there are seasonal and even annual changes in wind strength.

In many areas, wind blows stronger in the daytime, when demand is lower. It dies down in the evening, when consumers use more appliances such as televisions, washing machines and dishwashers. Electric power can't be efficiently stored—it must be used when it is produced to make economic sense.

This variability means that utilities must maintain back-up power capacity or costly storage, equal to their reliance on wind power. This complicates the stability of a power grid; it creates difficulties in power scheduling and technical problems related to voltage control. All these factors can cut the price that utilities are willing to pay for wind power.

One way to overcome some of the variability problems inherent in wind power is to have a large number of wind turbines operating at the same time. But that raises another problem.

Large numbers of wind turbines on a "wind farm" take up a lot of space. For example, a 1,000-megawatt farm would occupy 2,000 square miles, compared to the 20 acres needed for a conventional power plant with similar capacity. In some cases, the space between the wind turbines can be used for agriculture. However, a wind farm dominates the visual landscape and is unacceptable in tourist areas or nature preserves.

If the wind turbines are located in populated areas, noise from turning blades can spark citizen protests that make it difficult to win regulatory approval. The obvious solution is to locate the turbines in remote locations. But that requires a bigger investment in long-distance transmission lines.

Many citizens protest the placing of transmission lines on or near their property. The need to overcome those protests and to get regulatory approval for construction of a transmission line can add to the cost of a new wind power project.

Environmentalists and animal lovers object to wind turbines in the belief that they kill birds. For efficiency, wind farms must be located where the wind blows fairly constantly. However, such locations are often the principal travel routes for migratory birds.

Another difficulty with wind power is the cost of building wind plants in relation to the potential return from the sale of power. This includes the cost of the turbines and the cost to buy or lease the land to put them on. The cost of installation can be excessive, depending on the terrain and the distance from the power grid.

In addition, risking a large amount of capital for a technology that still is considered new and unproven makes it necessary in most cases to rely on government subsidies to attract investors.

Until wind power is as cheap and problem-free as conventional power, the possibility of change in government policy on subsidies and other matters will remain a risk factor.

Over time, improvements in technology and larger turbines should drive costs down, making wind power more viable. Modern turbines are taller, with blades that spin more slowly, so that birds can more easily see the blades and avoid them. With fewer turbines needed to produce the same amount of power, they can be spread more widely, making them less of a visual nuisance.

If wind power is kept to a small proportion of the total power grid, but widely dispersed, it can be more readily absorbed into electrical power systems.

If oil and natural gas prices were to jump significantly, it would make wind power more attractive. Price caps on electricity sold to consumers, in jurisdictions such as Ontario, now make wind power less viable for independent power producers. But those caps may eventually be removed.

How to Profit from Liquefied Natural Gas

With natural gas prices elevated lately, the long-term prospect of rising liquefied natural gas (LNG) exports to countries like Japan, China and South Korea is increasingly positive. That's because gas sells at a big premium in those countries compared to North American prices.

Shale gas discoveries have the potential to sharply increase supply. Shale gas is trapped in rock formations. To extract it, producers pump water and chemicals into the rock. This fractures the rock and releases the natural gas.

Gas production also grows as a by-product of drilling for more profitable crude oil and natural gas liquids, such as propane and butane.

LNG exports need time to develop—but strides are being made, especially in Canada. Canada became an exporter of LNG with the June 2025 launch of the LNG Canada export facility in Kitimat, B.C., which now sends shipments to Asia. Other projects like Woodfibre LNG and Cedar LNG are also in B.C. and anticipate beginning operations in 2027 and 2028, respectively.

Meanwhile, we advise against going overboard in the many companies that stand to profit. We do feel you should hold on to the oil and gas stocks we recommend as buys in our newsletters, particularly the companies we look at below. They will be among the first to gain from future shipments of LNG to Asian markets.

How LNG is made

Liquefied natural gas (LNG) is made by cooling natural gas to minus 162 degrees Celsius (minus 260 degrees Fahrenheit). This transforms the gas into a liquid that has about 1/600th the volume of natural gas.

Liquefying makes gas simpler and cheaper to transport over long distances. LNG is shipped in special tankers that use refrigeration to keep the gas cooled. These vessels can carry around 135,000 cubic metres of LNG, which works out to about three billion cubic feet of natural gas. The ships also use a small amount of the LNG (3% to 4%) as fuel during the voyage.

When it reaches its destination, the LNG is usually stored in a cooled tank and then converted back into a gas for shipment through regular pipelines.

There is an added benefit to LNG: liquefaction removes oxygen, carbon dioxide, sulfur and water, resulting in LNG that is almost pure methane, which is the component of natural gas that's used as fuel.

LNG has a clean safety record

LNG has long been viewed in North America as presenting environmental and safety risks. However, the facts don't bear out those concerns. That's why the U.S. and Canada continue to build LNG facilities.

An LNG spill would not damage the ground or leave any residue, because it evaporates quickly. If it's spilled in water, LNG is insoluble and will simply evaporate, making environmental water-spill cleanup unnecessary. In addition, LNG is not stored under pressure.

Like other fuels, LNG is flammable when it vaporizes, mixes with oxygen and is exposed to an ignition source. But even then, there is a limited flammability range: If the concentration of natural gas in the air is below 5% or greater than 15%, it will not ignite. In addition, LNG, or any vapour associated with LNG, will not explode in an unconfined environment. Thus, in the unlikely event of an LNG spill, the natural gas has little chance of igniting an explosion.

LNG ships are double-hulled and heavily insulated, with extensive safety systems. Japan now has more than 37 LNG import terminals and has been importing the stuff for 50 years, but has yet to suffer a major safety incident.

Inside the LNG market

The biggest LNG exporters are the U.S., Australia and Qatar. And Canada is now an exporter (see above).

China has surpassed Japan as the world's largest importer of LNG. Even so, Japanese demand for LNG remains strong, particularly after it shut down all 50 of its nuclear reactors in the wake of the March 2011 earthquake and tsunami. Japan was generating 30% of its electricity from its nuclear plants and has been forced to turn to a range of other sources, including gas-fired power plants, to make up the shortfall.

South Korea is also a major LNG importer. The country will remain a big market for LNG (including from Canada) and has been investing in LNG production and shipping facilities.

Other big Asian markets for LNG are Taiwan and India .

Canadian stocks that will gain from rising LNG exports

Canada has a number of big advantages over its global competitors in the race to export more LNG to Asia.

For one, the country has an abundant supply of natural gas. Gas for LNG export is focused around shale gas discoveries in northeastern B.C., including the Horn River Basin, the Montney region, the Cordova Embayment and the largely unexplored Laird Basin.

Second, Canada is closer to key Asian markets than most of its competitors—even Australia: Kitimat is actually nearer to Japan than the offshore gas fields off the northwest coast of Australia, the origin of most of that country's LNG exports.

All in all, global demand for LNG is set to rise by a whopping 54% to 68% by 2040, according to a report just released by energy giant Shell PLC. The company identifies customers in Asia, especially in Japan and China, as a key growth driver.

Natural gas is produced around the world, and the simplest way to transport it is through a pipeline. But that gas can also be cooled into a liquefied form and transported by tanker, allowing Canada and other supplying nations to meet demand overseas.

Canadian operations, like TC Energy's Coastal GasLink pipeline and the LNG Canada facility, which is now on stream in B.C., are primed to meet that demand.

Still, they will face competition. On January 20, 2025, his first day back in office for his second term, U.S. President Donald Trump signed an executive order ending a Biden era moratorium on new LNG export permits from that country.

Natural Gas Stock Prices Move up and Down with a Wide Range of Factors

The price of natural gas, like the price of oil, is highly volatile—and influenced both up and down by a wide range of factors. So it's a bad idea to base investment decisions on predictions of future natural gas prices.

However, you can profit nicely over long periods by investing in well-established or well-managed companies that are active in businesses that involve highly volatile commodities like oil and gas. You profit all the more if you buy these companies when they are cheap in relation to earnings and assets.

Here's a list of the main factors that push natural gas stock prices up and down:

- An unusually mild winter can lead to lower withdrawals of gas from storage, leaving very high levels of inventory at the end of the heating season. High production levels brought on by continued record drilling activity have also pushed prices down.

- In the summer, prices could jump if it's an unusually hot summer. This leads to greater demand for natural gas-generated electricity for air conditioning, or if hurricanes were to disrupt production. Hurricane season can last until the end of November in some parts of North America.

- If natural gas prices continue to stay low, energy companies will have less incentive to drill for natural gas. That will lead to lower supplies and, in the long run, higher prices.

- Around 47% of U.S. homes are heated with natural gas, and the clean-burning energy source is also used to generate electricity, another popular heating method. Most new electricity capacity brought on line right now is generated by natural gas, rather than oil, coal, water or nuclear. As well, as the price of crude oil increases, or remains high, some industries are switching to natural gas. This leads to more demand, which could cause the price of natural gas to rise.

- Many manufacturers and utilities are able to switch back and forth between using natural gas, oil and electricity. If oil gets cheaper than natural gas, this would in turn lower demand, and prices, for natural gas.

- Natural gas can be cooled into a liquefied form and transported by tanker. New terminals will let Canada and the U.S. export more liquefied natural gas (LNG) to Europe and Asia.

- The price of natural gas could decrease even further if the U.S. federal government continues to remove various regulatory barriers to exploration and development in areas of the U.S. such as Alaska, on wildlife preserves and on federal lands

Uranium Stocks Offer Long-term Promise

Uranium prices peaked at 1979 to $43 U.S. a pound, on fears of production shortages. Many nuclear power plants then began hoarding uranium. However, supply disruptions never materialized.

As operators used up their uranium inventories in subsequent years, the price of uranium fell to as low as $7.10 U.S. a pound in December 2000. Prices moved up steadily since then, and got as high as $138 U.S. a pound in June 2007. They now sit around $71.

The outlook for the nuclear industry had been uncertain since Japan idled its own program in the wake of the 2011 Fukushima disaster. However, nuclear power has regained interest over the last several years. The environmental push for carbon-free electricity generation as well as Europe's hunt for a long-term replacement for Russian natural gas have driven the turnaround.

The growing use of energy-thirsty datacentres to power AI has been another spur.

Worldwide demand now totals approximately 195 million pounds a year, while primary world mine production is only about 133 million pounds. The annual shortfall of 62 million pounds has for many years been covered by several secondary sources. These include the excess inventories held by utilities, reprocessed uranium from used reactor fuel, processing of mine tailings, and uranium from the dismantling of nuclear weapons, particularly in Russia and elsewhere in the former Soviet Union.

These secondary supply sources have recently tightened. Meanwhile, longer-term demand for uranium is likely to grow. At various points, rising prices for fossil fuels, including oil, natural gas and coal, as well as global warming concerns, have shifted public opinion in many countries in favour of nuclear power. And as mentioned, energy demand from datacentres to power AI is also rising rapidly.

In France, nuclear energy already supplies about 65% to 70% of electric power. U.S. nuclear operators plan to add capacity at existing plants, extend their plant licenses, and build new plants.

Demand for uranium is rising

China and India are the biggest sources of new demand for nuclear power. China and India plan to build over 50 new reactors by 2040 to 2050.

Fears of a shortage of uranium are pushing utilities around the world to stockpile uranium once again.

In the short term, there is limited production from new mines starting up. It will take time for newly discovered resources to begin production. With any mine, there is a long lead-time from exploration discovery to production. That's especially so with uranium, which requires an extra level of regulatory and environmental permitting, due to its radioactivity. It could take a year or two before significant new primary mine production is available.

Longer term, though, increased supply will come on to the market. Mine operators in Canada, Australia, the U.S. and Kazakhstan are already moving to expand mine production.

Of course, you can't be sure that planned nuclear facilities will ever be built. Nuclear plants cost from $6 billion all the way up to $30 billion each. Falling prices for oil and natural gas would cut the pressure that utilities are now under to build new reactors.

Most studies of demand and supply trends for uranium make conservative assumptions about Russian and Chinese resources in the ground, and Russian stockpiles of processed uranium and nuclear warheads. However, both these countries are notoriously secretive with this kind of information. They may have more uranium than they admit to having.

All in all, we think that with significant new primary mine production scheduled to start up in next few years, uranium prices could suffer.

While uranium stocks offer long-term promise, many obstacles to profitability remain in the short term.

Here are some of the factors you need to assess for any uranium stock you consider buying:

Cost of exploration and mining uranium

There is a long lead time from exploration and discovery to production. When we're researching a uranium mining stock, we look for ones that operate in an area with geology that is similar to that of nearby producing mines. This includes the Athabasca Basin in Saskatchewan where Cameco (symbol CCO on Toronto) has large, high-grade reserves, low-cost operations, significant market share and many mines. Cameco is the world's largest uranium producer.

Location of the uranium mine

The most politically stable countries for uranium production are Canada and the United States.

Several other countries have significant uranium resources, like Niger, Namibia, Ukraine, Uzbekistan and Mongolia. However, we generally stay away from mining companies that operate in insecure and politically unstable regions like these.

When looking at uranium stocks, we also avoid those in countries with little respect for property rights and the rule of law, such as Russia or Mongolia.

Mining is particularly vulnerable to political instability. You can't move the mine to another country, and local citizens may sometimes get the impression that a foreign mining company is robbing them of their birthright, even though the foreign company's capital and expertise would appear to be the best way to get any value out of the ground.

Environmental constraints of mining uranium

Uranium by its very nature is radioactive. This increases the environmental constraints that will come into play when mining this metal.

Strong fundamentals overall

We like to see strong fundamentals in the uranium mining stocks we recommend. We look for low debt, because debt can be a problem for any mining company. When we recommend uranium mining stocks, we want to see a positive cash flow, preferably even when uranium prices are low.

Even better, we like to see mining companies that have cash flow from an existing mine that is sufficient for, or at least contributes to, the cost of developing a second mine.

Lastly, we look for uranium stocks that have an experienced management team. We like to see teams that have a history of mine development and have financed similar projects in the past.

To lower your risk, we continue to recommend that uranium stocks make up only a limited portion of your portfolio's resource segment. The demand for uranium will increase but it will take a keen investment eye to find the most profitable uranium stocks to invest in.

Energy industry stocks can round out any well balanced portfolio—without relying on sector rotation

Instead of a portfolio diversification approach like ours, some investors practice "sector rotation." That's where you try to predict which sectors will outperform other sectors. But trying to pick winning sectors—and stay out of other sectors—seldom works over long periods. That's because you need to guess right three times to succeed.

You have to pick the top sectors, then pick the stocks that will rise within those sectors, then sell before the sector stumbles. It's virtually impossible to consistently succeed at all three over long periods.

Four of Our Favourite Energy Stocks:

From TSI The Successful Investor

SUNCOR ENERGY INC. (Toronto symbol SU; Resources sector; Dividend yield: 2.7%) is Canada's largest integrated oil firm, with major projects in the Alberta oil sands. It also operates four refineries (three in Canada and one in Colorado), along with over 1,800 Petro-Canada gas stations.

With the December 2025 payment, Suncor raised your quarterly dividend by 5.3%, to $0.60 a share from $0.57. The new annual rate of $2.40 yields 2.7%. What's more, it plans to increase the dividend rate by 3% to 5% annually. Suncor also plans to buy back $275 million of its shares per month (or $3.3 billion annually).

Suncor produced a record 909,100 barrels a day in the fourth quarter of 2025, up 3.9% from 875,000 barrels a year earlier. That increase reflects higher output from its main oil sands projects (93% of total output). On top of that, sales of refined petroleum products rose 4.4% to 640,400 barrels a day from 613,300 barrels.

However, due to lower crude prices, Suncor's revenue in the quarter fell 3.9%, to $12.04 billion from $12.53 billion. That missed the consensus forecast of $12.14 billion.

The lower revenue also cut overall cash flow by 7.9%, to $2.68 billion from $2.78 billion. Due to fewer shares outstanding, cash flow per share declined 3.6%, to $2.68 from $2.78. That still topped the consensus estimate of $2.63.

In 2026, Suncor expects to produce between 840,000 and 870,000 barrels a day. The company also continues to cut its operating costs, which will help shield it from lower crude prices.

Suncor is a buy.

From TSI Canadian Wealth Advisor

IMPERIAL OIL LTD. (Toronto symbol IMO; Resources sector; Dividend yield: 2.0%) gets over 90% of its production from oil sands operations in Alberta. Imperial also has conventional oil and natural gas operations in the West and holds stakes in offshore projects in Atlantic Canada. Its other operations include three refineries (one in Alberta, two in Ontario) and a petrochemical plant in Sarnia, Ontario. U.S.-based ExxonMobil (New York symbol XOM) owns 69.6% of Imperial.

With the April 2026 payment, Imperial will increase your quarterly dividend by 20.8%, to $0.87 a share from $0.72. The new annual rate of $3.48 yields 2.0%.

The company now plans to spend between $2.0 billion and $2.2 billion on capital upgrades and exploration in 2026. That's up from its likely 2025 spending of between $1.9 billion and $2.1 billion.

The higher spending will help boost output at its main Kearl and Cold Lake oil sands facilities, as well as at the Syncrude project (Imperial owns 25.0% of Syncrude).

For all of 2026, Imperial expects to produce between 441,000 and 460,000 barrels a day. The midpoint of that range—450,500—is 4.5% more than its average daily production of 438,000 barrels in 2025.

The extra spending will also improve the long-term reliability of its refineries in Strathcona, Alberta, and Sarnia, Ontario.

Meanwhile, the stock is now hitting all-time highs, but we think the shares can go higher.

Imperial Oil is a buy.

From TSI Wall Street Stock Forecaster

CHEVRON CORP. (New York symbol CVX; Resources sector; Dividend yield: 3.5%) is the second-largest integrated oil company in the U.S. by revenue, after ExxonMobil (New York symbol XOM).

In July 2025, Chevron completed its acquisition of Hess Corp. (New York symbol HES), which produces oil and natural gas in the Bakken shale region of North Dakota. It also has offshore operations in the Gulf of Mexico, Guyana, Suriname and Malaysia.

Under the terms of the transaction, Hess shareholders received 1.0250 Chevron shares for each share they held. In all, the cost was roughly $48 billion.

So far, the merger has let Chevron cut $1.0 billion from its annual costs. It expects those annual savings will rise to $1.5 billion by the end of 2026.

The company continues to expand its operations in shale oil and gas properties in the Permian (Texas), DJ (Colorado) and Bakken (North Dakota) basins, as well at its offshore operations in Guyana, the Eastern Mediterranean and the Gulf of Mexico. These investments should increase its production by about 2% to 3% annually.

Chevron is also cutting its global workforce by between 15% and 20%. The plan should save between $3 billion and $4 billion annually.

With the March 2026, payment, Chevron raised your quarterly dividend by 4.1%, to $1.78 a share from $1.71. The new annual rate of $7.12 yields a solid 3.5%. With this increase, the company has raised the annual dividend rate each year for the past 39 years.

Chevron is a buy.

From TSI Power Growth Investor

BIRCHCLIFF ENERGY LTD. (Toronto symbol BIR; Resources sector; Dividend yield: 1.6%) develops and produces oil and gas, mainly in the Peace River Arch area of both Alberta and B.C.

In the fourth quarter of 2025, Birchcliff produced an average of 83,028 barrels of oil equivalent a day (83% natural gas, 17% oil and liquids). That was up 7.0% from 77,623 barrels a day a year earlier.

The company's realized selling prices also rose 18.3%. As a result, cash flow in the quarter, jumped 59.3%, to $0.43 a share from $0.27 a year earlier.

The company's total debt now stands at $459.9 million, or a manageable 22% of its market cap.

Birchcliff continues to pay a quarterly cash dividend of $0.03 a share, for a yield of 1.6%.

Like all natural-gas-weighted producers, the company will need gas prices to stay high to report strong cash flow. However, we still like the long-term prospects for investors.

Birchcliff is a buy for aggressive investors.

Conclusion

When the economy is doing well and commodity prices rise with the demand, many investors are willing to downplay risk and overlook potential pitfalls. When prices fall, many go the other way and focus almost entirely on risk. We do not believe investors should simply sell off energy stocks when prices recede, and buy them back when they rise again.

After all, the need for energy continues to grow, at home and around the globe. Demand will continue to rise in emerging markets, even as their growth rates slow to more moderate levels. The secret for investors is not to go in and out of energy stocks, but to discover which companies do the best job of managing their resources, harnessing evolving technology and positioning themselves for long-term profit in an energy-hungry world. And keep in mind that energy stocks, like other resource stocks, serve as a hedge against inflation.

Maintaining an investment in energy stocks is an integral part of our fundamental investment approach. Our approach is grounded in our three-part investing program. This approach forms the core of all the advice you get in our newsletters, and on TSI Network.

1. Invest mainly in well-established, mainly dividend-paying companies.

When the market goes into a lengthy downturn, these stocks generally keep paying their dividends, and they are among the first to recover when conditions improve.

2. Spread your money out across the five main economic sectors (Manufacturing & Industry; Resources & Commodities; Consumer; Finance; and Utilities).

This helps you avoid excess exposure to any one segment of the market that is headed for trouble. Diversifying across the five sectors will also dampen your portfolio's volatility in the long term, without the shrinking in its potential that you'd get if you invest significantly in bonds yielding under 3%.

3. Avoid or downplay stocks in the broker/media limelight.

That limelight tends to raise investor expectations to excessive levels. When companies fail to live up to expectations, these stocks can plunge. Remember, when expectations are excessive, occasional failure to live up to them is virtually guaranteed, in the long term if not in the short.

These three investing philosophy principles guide us in every portfolio we manage. Using these three value-investing principles will help protect your money during periods of market turbulence, and help you profit when the market rises.

About TSI Network

With over four decades of experience as an advisor, commentator, editor and publisher, Pat McKeough has a long record of determining which stocks are bound to reward investors most.

Over the past two decades he has been the editor and publisher of a growing series of investment newsletters through *TSI Network.* Pat also offers two investment advice services, *Inner Circle* and the advanced *Inner Circle Pro*. Since 1999, he and his team have put his investment approach to work for private clients in his Successful Investor Wealth Management business.

His philosophy is anchored in safety and a balanced portfolio to generate accelerating gains for subscribers and clients. TSI Network now publishes seven newsletters for every kind of investor:

1. ***The Successful Investor***—Pat's flagship advisory continues to be a beacon for Canadian investors seeking growing gains and reduced risk with the best Canadian stocks.

2. ***Power Growth Investor***—If you like the idea of "a conservative approach to aggressive investing", this advisory has Canadian and U.S. stocks with escalating growth potential.

3. ***Wall Street Stock Forecaster***—Your portfolio is much stronger with at least 20% in U.S. stocks—and this special advisory covers the 70 best U.S. stocks for Canadians.

4. ***Canadian Wealth Advisor***—A 'safety-first' advisory offering you the best conservative strategies based on well-established Canadian dividend stocks, ETFs and REITs.

5. ***TSI Dividend Advisor***—In this advisory, our exclusive Dividend Sustainability Ratings® will change the way you look at dividend stocks—and the way you invest in them.

6. ***Spinoffs & Takeovers***—If you'd like "the closest thing to a sure thing in investing," this advisory on spinoffs and other special opportunities is utterly unique.

7. ***The Best ETFs for Canadian Investors***—This ground-breaking publication shows you how to get the best results with ETFs as these investments explode in popularity.

In 2002, Pat founded his ***Inner Circle***, offering investors more personal attention, plus access to his four original publications. Members can ask Pat personal investment questions. They also get his commentaries and answers to questions posed by other Inner Circle Members. In 2017 he launched ***Inner Circle Pro***, an advanced group that receives all seven of his newsletters.

Through ***Successful Investor Wealth Management***, Pat and his team manage assets under management verging on $1 billion and growing, for individual Canadian investors. Free of comprising ties to brokerages, with no hidden costs or commissions, the team charts an independent course for clients. For the past 18 years the portfolios they manage for clients have enjoyed an uncommonly high annual average return.

You will find more information on all of these services at www.tsinetwork.ca.

Successful Investor Wealth Management

Pat McKeough offers personal portfolio management advice to a number of individual investors, his Successful Investor Wealth Management clients.

Before becoming our clients, many followed Pat's advice through our investment newsletters. Others were referred to us by satisfied portfolio management clients. All benefit from the fact that this service is free of the conflicts of interest that distort so many other sources of investment advice.

A strong team of experts contribute an enormous amount of time and research to the Successful Investor Wealth Management service. But Pat personally approves every transaction in every portfolio.

If you'd like to know more about this unique portfolio management service, please call **1-888-292-0296**

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