



Company	Ticker	Sector	Industry
Coterra Energy Inc.	CTRA-US	Energy	Oil Gas & Consumable Fuels

## Business Description

Coterra Energy Inc. is a diversified energy company, which engages in the exploration, development, and production of oil and natural gas properties. Its portfolio includes projects in the Permian Basin, the Marcellus Shale, and the Anadarko Basin. The company was renamed to Coterra Energy Inc. on October 1, 2021 in connection with the merger involving Cabot Oil & Gas Corp. and Cimarex Energy Co. Coterra Energy was founded in 1989 and is headquartered in Houston, TX.

## Price Chart

## Key Info & Metrics



<b>Empirical Research Rank:</b>	<b>4</b>
Date Purchased:	10/19/2022
Price:	\$24.26
52-Week Range:	\$22.24 - \$36.11
Dividend Yield:	10.26%
Market Cap (\$M):	\$19,128
Forward Price-to-Earnings:	8

## Total Return

Year-to-Date:	-1.3%
1 Year:	14.2%
3 Year:	94.6%
5 Year:	25.8%

## Investment Case - Updated: November 6, 2022

Coterra Energy is one of the largest among the Oil & Gas exploration and production companies that are focused primarily on natural gas. Coterra was formed via the merger between Cabot and Cimarex in 2021. It has a nearly debt-free balance sheet, an investment grade credit rating, and pays a healthy and growing dividend. Because of the rapidly dividing Eastern and Western world, energy security has become an precarious issue for non-producing countries. Europe in particular had grown overly reliant on Russian gas supplies and with those supplies perhaps permanently shut down it is hungry for alternative sources. The US has excess natural gas supply and the ability to transport overseas, creating an attractive high value demand for that excess supply. We believe the demand from exports will continue to grow, providing a rising price floor for US gas producers like Coterra. While this company has good investment merits on its own, owning shares offers the most value in their defensive nature - an insurance policy against disruptive world events that lead to higher commodity prices.

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