

# Analysis of investment value of energy enterprises

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**Abstract.** With the ever-evolving landscape of energy technologies, the role of the energy industry across various sectors has become increasingly significant, cannot be overlooked. The advent of new energy sources has profoundly transformed the energy industry, making it a focal point for potential investment. This article delves into the investment value of three specific companies within the energy sector, providing an overview of their prospects in today's dynamic environment. Employing a combination of investigative, observational, and literature research methods, this analysis is grounded in both theoretical frameworks and empirical data. Drawing from this comprehensive research, several key conclusions emerge. Firstly, it is evident that the emergence of new energy has had minimal impact on the established industry leaders. Secondly, the nature of investments in the energy sector suggests that patience may be required to yield substantial returns. Lastly, the overall value of investment in the energy sector remains notably high. In summary, the energy industry's resilience and potential for growth make it an attractive prospect for investors, especially amidst the rapid evolution of new energy technologies.

**Keywords:** Energy technologies, research, evolution.

## 1. Introduction

In the constantly shifting terrain of energy technologies, the energy sector has assumed an increasingly vital role, permeated various industries and commanded undivided attention. The introduction of novel and cutting-edge energy sources has not only wrought profound changes within the energy industry but has also transcended its traditional boundaries, positioning itself as a central pillar for potential investment opportunities. This paradigm shift has not merely redefined the operational landscape of the energy industry; it has also ushered in a new era of innovation and financial potential, prompting extensive interest and enthusiasm for investment within a broad spectrum of economic sectors. The transformative impact of these advancements not only reflects the dynamism and resilience of the energy industry but also presents a multitude of opportunities for growth, development, and progress across interconnected sectors, marking a pivotal moment in the global economic landscape.

Hence, the primary focus of this paper revolves around investigating the far-reaching implications of new energy on the energy industry. Specifically, the study seeks to explore whether the advent of new energy sources will lead to an increase in the investment value of the energy industry or if it will remain relatively unchanged. By delving into this critical inquiry, the research aims to shed light on the potential transformative effects of new energy on the industry's investment landscape, deciphering its impact on various sectors and underlying economic dynamics. Through rigorous analysis and examination, the paper endeavors to provide valuable insights into the evolving relationship between new energy and the investment value of the energy industry, offering a comprehensive understanding of the multifaceted implications that this pivotal shift may bring forth. The central focus of this research entails evaluating the investment value of energy companies following the emergence of new energy. This will be accomplished through an in-depth analysis of stock data pertaining to three prominent companies within the energy industry over the course of the previous year [1-2]. By closely examining the stock performance, financial indicators, and market reactions of these select energy companies, the study seeks to discern the impact and implications of new energy on their investment potential. Through this meticulous assessment of stock data and market behavior, the research aims to provide a comprehensive evaluation of the investment attractiveness and value of energy

companies in the wake of the new energy era, thus offering valuable insights into the industry's evolving dynamics and potential investment opportunities.

The fundamental objective of this article is to offer readers a fresh and comprehensive perspective on the investment value within the contemporary energy industry. By delving into various aspects such as market trends, technological advancements, and economic shifts, the article aims to enhance readers' understanding of the dynamic nature of investment opportunities in the energy sector. Through this exploration, readers can gain valuable insights into the evolving landscape of the energy industry, thus enabling them to make informed decisions and navigate the intricacies of investment in today's dynamic market.

## 2. Literature review

Global economic integration and transnational capital flows: The increasing scale and volatility of capital flows are pointed out, which have important implications for the vulnerability of a country's financial system and macroeconomic stability. Macroprudential policy: It is pointed out that macroprudential policy is a way to regulate systemic financial risks, but it is also pointed out that some scholars have disputed its effectiveness [3-5]. Global energy development and environmental issues: Emphasized the importance of energy development and environmental issues, especially in the new round of scientific and technological revolution and industrial transformation, and China's important measures in promoting energy revolution and green and low-carbon development. The development strategy of China National Petroleum Corporation is put forward that China National Petroleum Corporation should continue to deepen the main oil and gas industry, increase the investment in shale oil and gas, and promote the industrialization of CCUS [6].

## 3. Basic fact analysis

Energy plays a crucial and intricate role in shaping the macroeconomic landscape. Firstly, as a fundamental factor in production and economic activities, the supply and price of energy exert significant influence over the overall economy. Energy shortages or escalating prices have the potential to elevate production costs, thereby impacting the prices of goods and services and consequently influencing inflation and deflation rates. These fluctuations can have far-reaching consequences, affecting consumer spending power and overall economic stability [7].

Moreover, energy consumption is inherently intertwined with economic growth. An ample supply of energy at stable prices serves as a catalyst for economic expansion, fueling various industries and driving overall productivity. Conversely, an energy shortage, alongside substantial price hikes, can act as a constraint on economic growth, impeding the smooth functioning of businesses and eroding consumer confidence. As such, the availability and affordability of energy sources emerge as key determinants in fostering a conducive environment for sustained economic development [8].

Furthermore, efforts to enhance energy efficiency and promote the adoption of clean energy sources can wield a positive impact on economic growth. Initiatives aimed at improving energy efficiency not only led to cost savings for businesses and consumers but also contribute to environmental sustainability. Additionally, the promotion of clean energy technologies can stimulate the emergence of new industries and job opportunities, fostering innovation and bolstering economic diversification. This, in turn, bolsters overall economic development and resilience while simultaneously safeguarding the environment.

In conclusion, the nexus between energy and macroeconomics is intricate and multi-faceted. It is crucial for policymakers and industry stakeholders to recognize the pivotal role of energy in shaping economic outcomes and undertake proactive measures to ensure a stable and sustainable energy framework. By enhancing energy security, promoting clean energy initiatives, and driving improvements in energy efficiency, economies can capitalize on the pivotal role of energy as a driver

of sustainable economic growth and development. Large multinational oil companies in Europe have made "net zero" commitments [1].

Nuo and proposed to transform into an integrated energy company, renewable energy business development by Positive and steady, the big multinational oil companies in the United States have remained steadfast in oil and gas production.

Business strategic positioning, strive to high-quality oil and gas supply to grasp oil and gas as the main body. The global market share during the energy period continues to create value for shareholders. Keep a foothold Clear and clear strategic positioning, strategic asset allocation of the oil and gas portfolio. Capacity is critical, and the deployment of mitigation solutions around the oil and gas business is a must. Mergers and acquisitions allow ExxonMobil and Chevron to quickly build up their portfolios. An important way of strategic upgrading.

#### 4. Concrete analysis

This paper conducts a comprehensive analysis of the financial performance and stock market trends of three prominent companies, namely Exxon Mobil Corporation (XOM), Chevron Corporation Common Stock (CVX), and Total. Energies SE (TTE).

Exxon Mobil Corporation, headquartered in Irving, Texas, stands as a multinational giant within the oil and gas industry, boasting a prominent position among the largest publicly traded companies worldwide in terms of market capitalization. The company exerts substantial influence in the global energy sector, encompassing a wide array of operations across the oil and gas value chain. Starting in 2022, ExxonMobil plans to spend six years [5].

The low carbon transition has invested \$15 billion, mainly to reduce its production

Emissions, advancing biofuel projects, and deploying hydrogen energy on a large scale. In 2023, ExxonMobil decided to enter the low-carbon new.

Energy focus areas: biofuels, hydrogen energy, carbon capture and storage.

Chevron Corporation Common Stock (CVX) represents another key player in the global energy industry, standing as an American multinational energy company with a robust presence and influence. Engaged across various facets of the energy sector, including exploration, production, refining, and marketing of oil, natural gas, and petroleum products, Chevron Corporation plays a pivotal role in shaping the dynamics of the industry, leveraging its extensive reach and influence. In 2021, Chevron established a low carbon new energy unit, which Core areas of the strategy include renewable fuels, hydrogen energy, and carbon capture. With sequestration (CCUS), as well as carbon offsets such as Chevron believes can be built. Establish a competitive advantage in the field. TotalEnergies SE (TTE), headquartered in France, is a multinational integrated oil and gas company with a significant footprint within diverse sectors of the energy industry. The company's operations span across upstream activities such as exploration and production of oil and natural gas reserves, as well as downstream activities encompassing refining, marketing, and distribution of petroleum products. This multifaceted engagement positions Total. Energies as a key influencer in the global energy landscape, with a notable impact on market dynamics and industry trends. Through the exploration and analysis of these companies' financial performance and market positioning, this paper aims to provide valuable insights into the stock market dynamics and investment potential within the energy industry.

Exxon Mobil Corporation (XOM), Chevron Corporation Common Stock (CVX), and TotalEnergies SE (TTE) are prominent global players within the energy industry, commanding extensive operations across the realms of oil, natural gas, and chemical products. In assessing their market positioning, it is evident that XOM leads the pack in terms of market capitalization, standing at an impressive 453.5 billion, followed by CVX at 285.8 billion, and TTE at 154.4 billion. Delving into their debt situations, TTE emerges with relatively lower debt, with a debt ratio of 0.243, followed by CVX at 0.356, while XOM carries slightly higher debt with a ratio of 0.436.

Both XOM and CVX showcase current ratios above 1, indicative of healthy liquidity, with TTE maintaining a similarly robust current ratio (Table 1).

**Table 1.** Market index

company	market cap	beta	debt	current ratio
exxon mobil corporation (XOM)	4535B	0.89	0.436	1.38
Chevron Corporation Common Stock (CVX)	2858B	1.09	0.356	1.23
TotalEnergies SE (TTE)	1,544B	0.75	0.243	1.11

Examining profit margins, CVX emerges as the top performer at 11.39%, closely followed by XOM at 10.31%, with TTE ranking third at 9.55%. Moving to return on assets (ROA) and return on equity (ROE), TTE displays slightly superior performance compared to XOM and CVX. Moreover, based on the price-to-earnings (PE) ratio, XOM and CVX exhibit relatively lower valuations, whereas TTE's valuation is notably more attractive at 7.28.

**Table 2.** Profit index

Company	Total Asset Turnover	Profit Margin	ROA	ROE
exxon mobil corporation	0.214	10.31	4.01	6.32
Chevron Corporation Common Stock	0.186	11.39	2.1	3.42
TotalEnergies SE	0.36	9.55	3.38	8.12

In the realm of price-to-book (PB) ratio, CVX presents a relatively high ratio of 32.8, while TTE's performance in this aspect is relatively robust. Furthermore, in terms of dividend yield, CVX significantly outperforms the other two companies, boasting a dividend yield of 44.63%. Notably, XOM, CVX, and TTE each demonstrate individual strengths – XOM's technological innovation, CVX's high profit margin, and TTE's more attractive valuation in the context of the energy industry. These comprehensive financial metrics collectively portray a nuanced and multifaceted perspective on the performance and market positioning of these leading energy companies (Table 2).

Exxon Mobil Corporation (XOM), Chevron Corporation Common Stock (CVX), and TotalEnergies SE (TTE) are vital players in the global energy industry, with extensive operations spanning oil, natural gas, and chemical products. In terms of market capitalization, XOM leads with \$453.5 billion, followed by CVX at \$285.8 billion, and TTE at \$154.4 billion. Analyzing the debt profile, TTE exhibits relatively lower debt (0.243), followed by CVX (0.356), while XOM shows slightly higher debt at 0.436. Both XOM and CVX maintain current ratios above 1, indicating solid liquidity, and TTE also upholds a healthy current ratio. As for-profit margins, CVX boasts the highest at 11.39%, followed by XOM at 10.31%, with TTE ranking third at 9.55%. Regarding return on assets and equity, TTE's performance slightly surpasses that of XOM and CVX. Evaluating the price-to-earnings (PE) ratio, XOM and CVX demonstrate relatively lower valuations, while TTE's valuation is more appealing at 7.28. CVX holds a relatively high price-to-book (PB) ratio at 32.8, contrasted with TTE's robust performance in this aspect. Notably, CVX's dividend yield significantly outperforms the other two companies at 44.63%. Overall, XOM, CVX, and TTE are industry leaders, each showcasing unique strengths such as XOM's advanced technology, CVX's high profit margin, and TTE's attractive valuation. These comprehensive financial metrics provide a nuanced and multifaceted understanding of the performance and market positioning of these influential energy companies. With the development of economic globalization, the scale and volatility of cross-border capital flows are gradually increasing, especially the abnormal flow or trend of capital.

With the development of economic globalization, the scale and volatility of cross-border capital flows are gradually increasing, especially the abnormal flow or trend of capital, China should pay more attention to the overall economic planning.

## 5. Conclusion

Each of these companies has a bright spot in its position and performance in the energy sector, with XOM having the highest market cap, CVX having the highest margins, and TTE having an attractive valuation. As can be seen from their financial data, each of these three companies has its own strengths in the industry, and the combined financial metrics provide us with a multi-faceted understanding of the performance and market positioning of these three influential energy companies. Overall, the advent of new energy presents a fresh challenge for the energy industry; however, it remains a highly promising sector for investment.

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