



Go Against the Crowd With These 3 Bargain Stocks

Description

One of the most important traits of a great investor is the ability to think independently. If you're always buying the most popular stocks, you're probably paying too much. But if you're willing to go against the crowd, you can score some nice bargains. Below are three examples.

1. Manulife

No Canadian financial institution struggled as much as **Manulife Financial** ([TSX: MFC](#))([NYSE: MFC](#)) did during the financial crisis. It also took a while for Canada's largest life insurer to recover. More recently, the company has turned a corner, is better-capitalized than its peers, and has plenty of opportunities to grow earnings.

However, the company still trades at a discount to its peers, at only 12 times earnings. Part of the reason is Manulife's low payout ratio — the company paid only 32% of its earnings as dividends last year. It's also because investors still remember the bad old days, when Manulife was struggling to raise capital. If you're willing to overlook that history, this is an opportunity to pick up a great company at a discount.

2. Rogers

We've all had our frustrations with **Rogers Communications** ([TSX: RCI.B](#))([NYSE: RCI](#)) as customers, but recently shareholders have gotten impatient too. Some mediocre quarterly results have caused Rogers shares to lag behind its peers, returning -3% over the past 12 months.

New CEO Guy Laurence is determined to turn the company around, and seems to have the right priorities, with an emphasis on customer service. In the meantime, the shares trade at a nice discount, at under 14 times trailing earnings. By comparison, **Telus** trades at over 19 times earnings.

Because of its lagging stock price, Rogers yields well over 4%, not bad for a company in such a stable industry. If Mr. Laurence is successful in his turnaround efforts, investors will enjoy some nice capital gains too.

3. SNC Lavalin

Speaking of troubled histories, this is something that **SNC Lavalin** (TSX: SNC) is very familiar with. The engineering and construction company went through a series of corruption scandals in 2012, forcing then-CEO Pierre Duhaime to step down.

Fast forward to today, and current CEO Robert Card has got the company going in the right direction again. However, the shares, despite recovering, still trade at a discount to SNC's peers internationally. So once again, if you're willing to ignore a troubled past and go against the crowd, you could pick up some shares of a great company at a bargain.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. NYSE:RCI (Rogers Communications Inc.)
3. TSX:ATRL (SNC-Lavalin Group)
4. TSX:MFC (Manulife Financial Corporation)
5. TSX:RCI.B (Rogers Communications Inc.)

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