



TSX Stages a Spring Comeback: Look to These 3 Financial Stocks

Description

The S&P/TSX Composite Index rose 18 points on May 21. The TSX has staged an impressive rally that began in mid-April on the back of a [surge in oil prices](#) that sparked energy stocks. Investors are also gearing up for the next round of bank earnings in a Canadian economy that has seen higher inflation in 2018 but mixed results in other areas.

As we look ahead to the summer months, it is worth revisiting some of the top financial stocks on the TSX. These stocks could rise or fall, as investors look for positive signs in the second half of 2018. Let's look at three key companies today.

Gluskin + Sheff & Associates Inc. (TSX:GS)

Gluskin + Sheff & Associates is a Toronto-based wealth management firm specifically geared to high-net-worth clients. A recent Wealth-X report revealed that the world's billionaire population increased by 15% since 2016, and the wealth of those billionaires rose 24% to \$9.2 trillion. The wealth of North American billionaires increased 22.8% to \$3.3 trillion.

Gluskin released its third-quarter results on May 13. Assets under management grew to \$8.94 billion as of March 31, 2018 compared to \$8.87 billion in the prior year. Net income climbed to \$6.9 million, or \$0.23 per share, compared to \$6 million, or \$0.20 per share, in the prior year. Adjusted EBITDA rose to \$11.6 million compared to \$11.1 million in Q3 2017.

The company also declared a regular dividend of \$0.25 per share, representing an attractive 5.6% dividend yield. Shares of Gluskin climbed 5.19% on May 18.

IGM Financial Inc. ([TSX:IGM](#))

IGM Financial is a Winnipeg-based financial services company. Shares of IGM have dropped 11% in 2018 as of close on May 18, but the stock has climbed 4.9% month over month. IGM released its first-quarter results on May 4.

Overall net sales hit \$1.4 billion in the first quarter, which represented the best first quarter in the

history of IGM. Investment fund sales hit \$2.9 billion and were the second-highest quarterly sales results in its history. Assets under management fell to \$155.8 billion compared to \$156.5 billion in the prior year. The company reported net earnings of \$185.5 million, or \$0.77 per share, compared to \$177.1 million, or \$0.74 per share, in the prior year.

The board of directors declared a dividend of \$0.5625 per share, representing a 5.7% dividend yield.

Manulife Financial Corporation ([TSX:MFC](#))([NYSE:MFC](#))

Manulife Financial is a Toronto-based life insurance and wealth management company. Both businesses have been boosted by its [impressive growth in Asia](#). The company released its first-quarter results on May 2.

Net income climbed to \$1.37 billion compared to \$1.35 billion in the prior year. Manulife generated gross flows of \$36.5 billion in its Global Wealth and Asset Management segment in Q1 2018, which represented a 16% increase year over year. It generated net flows of \$10 billion in this segment compared to \$4.6 billion in the prior year.

Manulife also declared a quarterly dividend of \$0.22 per share, representing a 3.4% dividend yield.

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