



## 2 Unloved Stocks to Buy Right Now and Own for Decades

### Description

Once in a while, investors get an opportunity to buy great companies at reasonable prices.

The best opportunities normally lie with industry leaders with strong track records of dividend growth supported by rising revenue and profits.

Let's take a look at two top stocks in the **TSX** Index that might be interesting picks for your [portfolio](#) today.

### Suncor

**Suncor Energy** ([TSX:SU](#)) ([NYSE:SU](#)) is a giant in the Canadian oil patch with substantial oil sands and offshore oil resources and production facilities. The upstream assets are the largest part of the company, but Suncor also owns four big refineries and more than 1,500 retail locations operating under the Petro-Canada brand.

The integrated business structure provides Suncor with a more stable revenue stream than you see at the pure-play producers. When oil prices fall, the refining and retail divisions can benefit from the lower input costs. As a result, Suncor's stock price weathered the last oil rout better than many of its peers and the company's strong balance sheet gave it the firepower to acquire new resources at attractive prices.

The board raised the quarterly dividend from \$0.36 to \$0.42 per share, which is good for annualized yield of 4% right now. Suncor is also buying back stock to take advantage of the dip in the share price.

At the time of writing, investors can buy Suncor for \$40 per share. The stock was \$55 last summer, so there is some good upside potential when oil moves higher.

### Bank of Nova Scotia

**Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) traded for \$78 last October and above \$84 in late 2017. The slide from those highs is giving investors an opportunity to pick up the stock for just 10.5 times trailing earnings, which appears pretty cheap given the ongoing strength of the economy and the long-term growth potential of the company's international division.

Bank of Nova Scotia is building a large business in the Pacific Alliance countries of Mexico, Peru, Colombia, and Chile where more than 225 million people are expected to seek out loans and investment products as their economic standing improves. The four countries allow the free movement of goods, capital, and labour, which not only benefits consumers, but also the businesses that operate in the economic zone.

When a company expands into a new market it requires a variety of cash management services and Bank of Nova Scotia's presence in all the core markets should give it an advantage.

The bank is also expanding its Canadian business through two recent wealth management acquisitions.

Bank of Nova Scotia now trades at just \$70 per share at writing. At this price, investors pick up a 5% dividend yield.

## The bottom line

Suncor and Bank of Nova Scotia are strong companies with long-term growth potential. If you have some cash sitting on the sidelines, it might be worthwhile to start a position in the two stocks while they are out of favour.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:SU (Suncor Energy Inc.)

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