Canada Market Crash! 2 Top Dividend Stocks to Buy on the Dip

Description

When this week started, I'd discussed the sharp rise in gold, as markets have experienced violent convulsions in the wake of the intensifying COVID-19 coronavirus outbreak. The S&P/TSX Composite Index has suffered two straight triple-digit point losses to start this week. On February 25, the TSX fell 385 points. At the time of this writing, stocks were still falling in Asian and European markets, and futures were down in the United States. The market may let out more air in the near term, which also brings opportunity.

Experts are now warning that COVID-19 could accelerate into a global pandemic. International efforts are already having an impact on global commerce, with the travel industry likely to take a hard hit. However, here at the Fool, we encourage readers to adopt a long-term outlook. The past 10 years have demonstrated how lucrative it can be to buy the dips, especially in a reactionary sell-off like we are seeing right now.

With that in mind, today I want to look at three quality dividend stocks that are worth scooping up at a discount right now.

Manulife Financial

Manulife Financial (TSX:MFC)(NYSE:MFC) is a top financial services and insurance provider. It boasts an international footprint, with a heavy focus on Asia in recent years. The stock has plunged 12% over the past month as of close on February 25.

In its fourth-quarter and full-year results for 2019, Manulife reported net earnings of $1.23 billion for Q4 2019 compared to $593 million in the prior year. For the full year, net earnings surged 16.7% to $5.6 billion. This was achieved on the back of double-digit growth in Asia. Its overall insurance business added 15% in new business value.

The company announced a 12% hike in its quarterly dividend to $0.28 per share, representing a 4.7% yield. At the time of this writing, Manulife stock possessed a favourable price-to-earnings (P/E) ratio of 8.4 and a price-to-book (P/B) value of one. It had an RSI of 24 as of close on February 25, which puts it in technically oversold territory.

Equitable Group

Just last week, I'd discussed why the housing market had regained its glow to start 2020. **Equitable Group** (TSX:EQB) is one stock that should continue to benefit from this rebound. Its shares have dropped 10% over the past week at the time of this writing.

The company released its Q4 and full-year 2019 results on Monday. In the fourth quarter, adjusted diluted earnings per share rose 21% year over year to $3.22 — a quarterly record. Retail loan principal outstanding increased 13% to $18.3 billion, and Commercial loan principal outstanding also posted 13% growth to $8.3 billion. The board of directors announced a 23% year-over-year dividend increase to a quarterly distribution of $0.37 per share. This represents a 1.5% yield.

Equitable Group stock had a favourable P/E ratio of 8.7 and a P/B value of 1.1 as of close on February 25. Its stock also had an RSI of 24, which means this top alternative lender is also oversold.

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2. TSX:EQB (EQB)
3. TSX:MFC (Manulife Financial Corporation)

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