



## Market Crash! 3 Cheap Heavyweight Dividend Stocks Yielding up to 5.7%

### Description

The United States Federal Reserve moved forward on a rate cut of 50 basis points on March 3. Indices in the U.S. responded with a sharp downturn, as the rate cut was seemingly priced in on the previous day. The Bank of Canada has hinted that the pressure is high for it to follow suit, which telegraphs that it will likely move the benchmark rate downward soon.

Coronavirus cases have continued to rise in the U.S., which will does little to temper the worries of investors right now. However, as I'd discussed last week, savvy investors like [Warren Buffett](#) are able to block out panic in the news to take advantage of value. There is still a plethora of [high-quality discounted equities](#) on the S&P/TSX Composite Index.

Today, I want to discuss how investors can spend \$10,000 in cash in the market right now. Below are three of my favourite stocks to start the month of March.

### Manulife Financial

**Manulife Financial** ([TSX:MFC](#))([NYSE:MFC](#)) stock fell 2.67% on March 3. This plunged shares closer to its 52-week low of \$21.37. The stock looked like a value play before this bloodbath, and now it looks like a flat-out steal.

Shares of Manulife have dropped 12% over the past month. In the fourth quarter of 2019, Manulife reported core earnings of \$1.47 billion, which were up from \$1.33 billion in the prior year. Total new business value at Manulife grew to \$2.05 billion in 2019 compared to \$1.74 billion in 2018. Manulife announced a 12% hike in its quarterly dividend to \$0.25 per share, representing a 5% yield.

The stock possessed a very favourable price-to-earnings (P/E) ratio of eight and a price-to-book (P/B) value of 0.9 as of close on March 3. Shares had an RSI of 23, which puts Manulife in technically oversold territory. It looks like a great value buy right now.

## Suncor Energy

Oil prices have been throttled as the threat of plummeting demand is weighing on the sector. However, **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) is one Canadian energy heavyweight that can weather this storm. I mentioned Warren Buffett earlier in this article, and this is a Canadian stock that he has increased exposure to in recent months. Suncor stock has dropped 7.7% over the past week as of close on March 3.

In 2019 Suncor's operating earnings were nearly flat year over year at \$4.35 billion. It posted a mammoth net loss of \$2.33 billion in Q4 due to large non-cash, after-tax asset impairment charges. However, funds from operations (FFO) still rose to \$2.55 billion, or \$1.66 per share, compared to \$2 billion, or \$1.26 per share, in Q4 2018. It increased its quarterly dividend to \$0.45 per share, which now represents a strong 5.2% yield.

Suncor stock last possessed a favourable P/E ratio of 18 and a P/B value of 1.2. Its shares were also in oversold territory with an RSI of 19.

## Canadian Imperial Bank of Commerce

When it comes to value and income, **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)) stands out among its peers. This was the case before this recent bout of major volatility. Shares of CIBC have dropped 5.7% over the past month.

CIBC reported improvement in its first quarter from a year ago. Adjusted net income increased 9% year over year to \$1.48 billion, and adjusted diluted earnings per share posted 8% growth to \$3.24. It reported growth in all major segments. Capital Markets stood out as its net income soared 63% from the prior year to \$335 million. The bank increased its quarterly dividend payout to \$1.46 per share. This represents a tasty 5.7% yield.

Shares of CIBC last had a peer-low P/E ratio of nine and a P/B value of 1.2. The stock had an RSI of 26 as of close on March 3, putting CIBC at oversold levels. Of the Big Six banks, CIBC looks like the best value bet today.

### CATEGORY

1. Dividend Stocks
2. Investing

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. NYSE:MFC (Manulife Financial Corporation)
3. NYSE:SU (Suncor Energy Inc.)

4. TSX:CM (Canadian Imperial Bank of Commerce)
5. TSX:MFC (Manulife Financial Corporation)
6. TSX:SU (Suncor Energy Inc.)

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