



## 1 Ultra-High-Yielding TSX Stock to Watch

### Description

As markets continue to bounce around, investing opportunities are arising for long-term investors. In particular, some [high-yielding TSX stocks](#) are now trading at attractive valuations.

Loading up on these stocks is a winning strategy for those focused on the long run. This is because with the power of compounding, locking in [massive yields](#) ensures great total returns.

However, investors should be mindful that not all high-yielding TSX stocks are safe must-buys. Some stocks have some material challenges ahead and would be better off left alone in favour of more secure stocks.

Today, we'll take a look at a stock with a big yield that investors can hang their hats on going forward.

### Manulife

**Manulife Financial** ([TSX:MFC](#))([NYSE:MFC](#)) is the largest insurance provider in Canada at a market cap of \$32.53 billion, with a strong presence in the U.S. and Asia.

The company offers a wide array of insurance products but also provides financial services and management to customers. In fact, the company's wealth management division is a key driver of growth going forward.

At the start of 2020, this high-yielding TSX stock was trading at \$26.70. As of writing, it's now trading at \$16.77. Like most other stocks, Manulife has been dragged down heavily with the market crash.

However, this large dip in price might just be the opportunity investors need to lock in a huge yield. Currently, the stock's yield is a whopping 6.67%.

At this price level, the yield is coming in at nearly double the five-year average. So, if you think Manulife has the powder to keep that yield running, it's a massive catch.

On that note, it's fair to say there are some near-term concerns, as Manulife runs on rather slim margins. A slowing economy doesn't help in that situation.

However, the payout ratio is at a very manageable level; as such, I wouldn't expect the yield to take a hit anytime soon. Plus, Manulife isn't offering cyclical or frivolous goods and services, so I don't expect to see a large drop in revenue when the company reports earnings tonight.

## Should you buy this high-yielding TSX stock?

With that said, it might still be prudent to wait for earnings to come out. Buying a stock going into earnings usually means you're making a big bet.

Long-term investors aren't in the business of making frequent big bets. Plus, sometimes stocks react in strange ways after earnings.

In addition, you might prefer to purchase shares of Manulife in chunks, in which case, the timing of earnings is largely irrelevant anyway.

## The bottom line

Manulife is a high-yielding TSX stock offering a massive yield to investors today. It's set to report earnings tonight, but I wouldn't expect anything huge.

Over the long run, this yield can generate massive income for investors. Coupled with Manulife's growth trajectory, investors are set to rake in huge total returns.

If you're a long-term investor looking to scout out good value, Manulife should be on your shopping list. Its diverse cash flow streams and eye-popping yield should earn it strong consideration from investors.

### CATEGORY

1. Bank Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. TSX:MFC (Manulife Financial Corporation)

### PARTNER-FEEDS

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