



These 3 Top TSX Stocks Are on Sale Right Now

Description

Picking over this week's beaten-up names throws up a few quality stocks. Industrials and material stocks were down at the start of the week amid a broader decline in energy stocks. However, there is a clear case of "throwing the baby out with the bath water" here.

Among those industrials stocks are key long-term plays that cover alternative energy and consumer staples. An undiscerning market indiscriminately punished some of the better stocks on the TSX. However, that's good news for both contrarians and value investors. From agri inputs to alternative energy, there are some moderate bargains on offer this week for value investors seeking long-term growth.

A key consumer staples stock

Nutrien ([TSX:NTR](#))([NYSE:NTR](#)) was down 2.7% at the start of the week. At first glance, it looks as though this name has been on sale all year, down 39% since last summer on average. However, Nutrien has rallied hard a couple of times since the catastrophic March selloff. The world-class potash miner has subsequently remained fairly flat all summer. A 5.6% dividend makes Nutrien all the more appealing.

This mix of passive income with the 20% of the global potash market makes Nutrien a key stock for long-term TSX investors. A portfolio based on steady growth and with broad financial horizons could easily be built around stocks such as Nutrien.

Top picks for investors going long on industrials

Magna International had seen a five-day loss 3.3% as of Monday; this was mitigated somewhat by a 1.8% bounce Tuesday. Investors are reacting to upside potential in the electric vehicle (EV) space, dominated by **Tesla**, as well as last week's earnings report. A lower Q2 profit caused some turbulence in Magna's share price, drawing out the value investors. This is a key stock to build a position in, especially for its strong ties to the [Chinese EV market](#).

Ballard Power Systems ([TSX:BLDP](#))(NASDAQ:BLDP) was down 2.8%. Why buy it? Investors looking for growth in the [clean energy sector](#) have a clear buy signal in Ballard ahead of its earnings report later this week. This is a key name in the clean fuel cell space. It's strongly diversified across regions, taking in China, Germany, the U.K., Japan, and beyond.

Packing a P/B of 12 times book, Ballard stock is not integrally cheap. Indeed, up 238% in 12 months, Ballard is squarely in overbought territory. However, a 2.4% dip in the last five days makes for a buy. The value-focused investor thinking super long term might want to buy a few shares now and come back later on when a more meaningful pullback has done a bit more damage.

Investors seeking even better value for money could have ample opportunity to snap up some quality names on the cheap later on in the year. Consider the election south of the border, for instance. A period of extreme volatility could mark the U.S. election. Investors should expect between two and three weeks of heightened uncertainty. Some high-quality names are likely to be on sale, so have your wallets at the ready.

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