2 Top TSX Stocks You Can Still Buy on Sale

Description

The stock market crash has come and gone. If you didn't buy anything while the bargains were abundant, there's no sense kicking yourself now that the broader indices have mostly recovered (the **NASDAQ** has surged above and beyond its all-time highs). Instead, try to think of the February-March sell-off as a lesson that you should seek to just hold your nose and buy something when the sky seems to be falling.

Acting on emotions would have lost you big money, but if you just held, paralyzed from the steep sell-off, that's really a win in itself, as not everybody has what it takes to stay the course when things get tough.

If Warren Buffett didn't do much buying in the first and second quarters, so should you be so hard on yourself if you weren't a buyer of the dip?

Definitely not, especially since there are still plenty of opportunities on the **TSX Index** right now. Buffett showed up late to the party with his purchase of natural gas assets and more shares of his favourite bank.

So, if you're like Warren Buffett and are willing to look to the sectors that nobody else wants to touch, then you too may be able to bag a bargain that's almost as good as it was in the dark depths of March. For a catch-up investment, that's all anyone could ask for if they have money to put to work at this market crossroads.

Without further ado, consider the following two discounted stocks if you seek a big bargain today.

Rogers Communications

Rogers Communications (TSX:RCI.B) is a Canadian telecom that's taken quite the hit to the chin this year. Shares of the diversified communications and media company are currently down 24% from its 2019 all-time highs and 17% off its February 2020 peak.

Both the media and wireless businesses were under pressure because of COVID-19 shutdowns. For the latest quarter, revenues fell by 17%, and EBITDA margins contracted abruptly by 230 bps.

Even after the pandemic ends, I believe wireless pressures will continue to weigh, as competitive pressures pick up in what could be a prolonged recessionary environment. On the bright side, Rogers' media business is likely to start bouncing back going into year-end, thanks to the return of professional sports.

While Rogers isn't to most immune telecom to COVID-19 headwinds, the stock is a compelling value while it's in bear market territory. Shares trade at a mere 2.8 times book value, which is far lower than the stock's five-year historical average P/B of 4.5. There's baggage with the name, but it's heavily discounted and there's a nice 3.6% yield.

Canadian Western Bank

Canadian Western Bank (TSX:CWB) is a regional bank that took a massive hit on the COVID-19 crash. While the B.C. and Albertan focused bank is more exposed to some of the weaker areas of the economy, it's still a high-quality financial like its bigger brothers. The regional bank has a capital ratio that's above the regulatory minimum and a decent amount of financial flexibility.

Loan losses are likely to mount at a rampant rate, but the horrible macro headwinds are already baked into the share price here, with CWB stock trading at 0.7 times book value. Sure, Canadian Western Bank isn't the most robust Canadian bank out there.

While margins in the second quarter were terrible, given the discount and the wide discount to book value, I think contrarians have a lot to gain by going against the grain.

Shares are currently down 45% from its 2018 all-time highs and off 38% from 52-week highs. So, if you're looking for a deep-value play, look no further than Canadian Western Bank.

Foolish takeaway

If you didn't buy much in the first half, please, forgive yourself and focus on the road ahead. It's still not too late to scoop up a bargain in this market. Rogers and Canadian Western Bank are top-tier bargains that could have a big payoff for those patient enough to ride out the volatility.

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1. TSX:CWB (Canadian Western Bank)
2. TSX:RCI.B (Rogers Communications Inc.)

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