



2 Top TSX Financial Stocks to Buy in October 2020

Description

Canadian financial stocks are making a comeback on the **Toronto Stock Exchange**. Although [technology](#) has received a lot more attention in the stock market this year, this fixation has left many other sectors undervalued, including financials. Thus, if you are looking for top TSX stocks to buy this month, financials are probably your best bet.

Here are two top TSX financial stocks to buy in October 2020.

Manulife Financial: A top dividend stock for income investors

Manulife Financial ([TSX:MFC](#))([NYSE:MFC](#)) fell to \$12.58 during the March market sell-off from a 52-week high of \$27.78. At the time of writing, investors are trading the stock for \$18.66 per share.

Manulife Financial provides financial services, including insurance, wealth, and asset management solutions in Asia, Canada, and the United States. The firm's insurance offerings encompass life, long-term care, and property products. In addition, Manulife offers annuity products, mutual funds, exchange-traded funds, and institutional asset management services.

As well as managing timberland and agricultural portfolios, the company owns oil and gas properties in its portfolio. Given the recent demand slump in the energy sector, these assets add risk to Manulife's financial health. Nevertheless, this is only one portion of the firm's assets, making this stock one of the top TSX financial stocks to buy in October.

If you are looking for a top financial stock to buy this month, Manulife is one of your best options. Right now, it has a price-to-earnings ratio of 9.6, a price-to-book of .77, and a price-to-sales of .47, making this a great option for value investors. Moreover, the annual dividend yield of 6% would add top income to your TFSA or RRSP.

Even better: it is a top Canadian brand that's likely to be around in the next 10-20 years when you retire.

Sun Life Financial: Growing sales in top international markets

Sun Life Financial ([TSX:SLF](#))([NYSE:SLF](#)) fell to \$35.43 during the March market sell-off from a 52-week high of \$66.44. At the time of writing, investors are trading the stock for \$54.64 per share. The [annual dividend yield](#) of 4.03% is strong enough to beat high-yield savings accounts as interest rates remain low.

Sun Life Financial boasts a similar set of services, products, and assets as Manulife Financial. Some of its top insurance products include disability, life, health, and long-term care. The firm also provides mutual funds, annuities, and financial planning services. In addition, Sun Life provides wealth management to individuals, institutions, and pension funds.

In the second-quarter earnings report, Sun Life Financial reported an increase in wealth sales of 53% compared to the same quarter last year. Year-to-date wealth sales in 2019 were \$72.97 billion. Meanwhile, wealth sales increased to \$116.54 billion in 2020.

Although wealth sales decreased by 20% in the Canadian market, sales in Asia, India, and the Philippines offset this loss. Due to Sun Life's strong financial performance despite the COVID-19 pandemic, this is one of the top TSX financial stocks to buy in October.

Sun Life Financial is definitely a great stock to buy today. Like Manulife, it offers a great value to any investor looking for underpriced stocks on the Toronto Stock Exchange. It has a price-to-earnings ratio of 13.98, a price-to-book of 1.49, and a price-to-sales of .83.

If you are looking for stocks at a good value in the financial sector, Sun Life easily makes the cut.

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TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. TSX:MFC (Manulife Financial Corporation)
3. TSX:SLF (Sun Life Financial Inc.)

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Date

2025/08/25

Date Created

2020/10/16

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