



2 Great TSX Stocks Under \$30 for Canadian Investors to Buy on Sale

Description

The Canadian [reopening plays](#) and cyclical stocks have been bid up [fiercely](#) in recent weeks. While the trade has worked well even since **Pfizer** pulled the curtain on its vaccine breakthrough, I think investors would be wise to curb their optimism by rotating into defensive stocks before the U.S. 10-year Treasury note yield starts dictating the trajectory of the stock market once again.

The 10-year yield seems to have retreated modestly, and that's been a near-term boon for growth stocks. That said, I think it'd be unwise to think that bond market jitters or fears over rising inflation will be concerns left behind in the first quarter. Numerous pundits are calling for 2% yields on the U.S. 10-year note. Some wouldn't be surprised if it made a move to 3%. I don't think such pundits know with any degree of certainty where bond yields are headed next.

Bond market jitters may come back to haunt complacent investors

The bond market, like the stock market, is an unpredictable beast, with far too many variables. Bond yields could ascend to absurd heights, or they could continue to descend as they have been in recent weeks. At this juncture, the market seems to be pricing in the latter scenario. Should bond yields break the 2% mark, we could have more problems. Regardless, investors should pay more attention to normalized yields and less to the day-to-day or week-to-week moves in the bond market.

You should look to play both sides of the equation, so you position yourself to win, regardless of if we're due for rotation or reverse rotation. Stop following day-to-day noise and focus on what matters most: spotting and buying stocks at discounts to their intrinsic value. And you don't need a sizeable sum to swing at the pitches in your strike zone.

In this piece, I've compiled a list of two great Canadian stocks under \$50 that you may want to consider picking up if your portfolio is light on "value" stocks, which could outshine growth again if bond yields start ascending again into the latter part of 2021.

Top two TSX stocks under \$30 to buy on sale

Manulife Financial ([TSX:MFC](#))([NYSE:MFC](#)) and **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) are two great Canadian value stock picks that trade at \$27 and \$25.81, respectively, at the time of writing. Each stock has handsome dividend yields of over 3.2%, with valuations on the lower end of the historical spectrum.

Manulife

The great Canadian life insurance stock has recovered the ground lost from the coronavirus market crash. While shares are no longer the massive steal that they were last year, I still think there's ample value to be had, as the firm continues to spread its wings across Asia. Asia is on the cusp of a massive wealth transfer, and Manulife is in a spot to profit profoundly from the phenomenon.

While Manulife's U.S. business is a drag, I ultimately believe that the Asian segment is the reason to hold Manulife stock for the long term.

Suncor

Suncor is a top dog in a heavily out-of-favour sector. Despite being caught on the wrong side of a secular trend, the company still generates ample amounts of cash flow from its robust integrated business. As the energy environment continues to improve, the sky could be the limit for Suncor stock, as it looks to recover to its 2020 highs.

The dividend got cut down the middle, but it could be doubled at some point down the road as industry headwinds fade. At 1.1 times book value, SU stock is a low way to maximize your gains in the coming economic reopening.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:MFC (Manulife Financial Corporation)
4. TSX:SU (Suncor Energy Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin

3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Stocks for Beginners

Date

2025/07/19

Date Created

2021/04/14

Author

joefrenette

default watermark

default watermark