



These 2 Top TSX Financials Stocks Are Set to Soar

Description

As we all look forward to the end of the pandemic, certain sectors are being targeted by investors. Indeed, one of the hardest-hit sectors as a result of the pandemic was the financials sector. Accordingly, investors have increasingly gravitated toward top TSX financials stocks as pandemic reopening plays.

Such a move has proved to be prudent. Many of Canada's largest financial institutions are now trading at, or near, all-time highs. For those who believe there's more upside on the horizon, here are two top picks in the Canadian financials space to consider.

Manulife Financial

As far as insurance plays go, **Manulife Financial** ([TSX:MFC](#))([NYSE:MFC](#)) continues to be one of my [top Canadian picks](#). In fact, this stock is among the best global players in the insurance market right now.

Why?

Well, Manulife's diversified revenue streams provide a growth trajectory that is hard to find in the insurance business. Manulife has grown its Asian insurance business to be approximately one-third of the company's overall business. And this is a market that's absolutely exploding with growth. As the middle class grows in countries like China, Manulife is well positioned to reap the benefits for this growth.

Additionally, Manulife's North American business prospects look a lot stronger as we near the end of the pandemic. A steepening yield curve and the potential for rising rates are actually bullish for Manulife. Accordingly, this stock provides a nice amount of defensiveness to investor portfolios today.

The cherry on top is a dividend yield of 4.7% at the time of writing. That's a pretty decent yield, all things considered. And I don't think this yield will be around forever. Manulife stock is cheap, and as investors pile into this play, I expect we'll see Manulife's yield drop over time.

Accordingly, now is the time to get into this financials gem.

Toronto-Dominion Bank

It is no secret that **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is one of my top picks on TSX. In my view, TD is a powerhouse of growth and income for those with long-term investing time horizons.

This Canadian bank has a robust track record of providing capital appreciation and returning value to its shareholders. Those looking for a slow-and-steady growth play haven't gone wrong trusting their money to TD in recent decades.

This large Canadian bank has been able to provide so much value to shareholders for a number of reasons. Among the most pertinent to investors is TD's focus on operational efficiencies and technological innovation. In this regard, TD is one of the leaders among its peers.

TD's recent blowout earnings show just how well this bank has managed through the pandemic. As we come out the other side, investors will want to own the highest-quality names out there. And TD is right near the top of the list of Canadian financials stocks right now.

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1. Bank Stocks
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1. Bank stocks
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3. dividend
4. dividend stock
5. growth
6. growth stocks
7. investing
8. market
9. Stocks

TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:MFC (Manulife Financial Corporation)
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