



## Best Value Stocks: 2 Canadian Stars

### Description

The **TSX** is home to a wide range of stocks that can aid with a wide range of investing styles. In particular, the best value stocks on the TSX can really offer long-term return potential to patient investors.

Stocks are still recovering from the huge troughs faced in 2020. As such, some of the best value stocks are still undervalued for their long-term potential.

Typically, these are stocks with proven records of solid share price and dividend growth that are poised to break out. Investors catching these stocks before they take off can benefit from a large increase in share price over time.

Today, we'll look at two of the best value stocks that are well positioned to deliver results for investors.

### BMO

**Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) is a major Canadian bank with a strong U.S. presence and a unique blend of revenue-generating operations.

Typically, Canadian banks are a good place to look when searching for the best value stocks. These stocks have proven time and time again they can deliver results to investors with both attractive share price appreciation as well as rock-solid dividends.

Consistency and reliability are two major factors that make a stock like BMO a good long-term value play. This banking giant has paid a dividend every year since 1829, and grown the [dividend](#) for most of that time.

Fast forward to now and BMO's dividend has been stagnant for a little bit. However, with pressure to hold dividends soon to be a thing of the past, investors can expect hikes going forward.

BMO easily has the means to cover increased dividends at this point and still have plenty of cushion.

As of this writing, BMO is trading at \$127.76 and yielding 3.32%.

While that's not the most jaw-dropping yield as of now, this is one of the best value stocks that could have a dividend surge going forward.

With a payout ratio of 46.54% in tow, BMO is a top pick for value investors looking for long-term dividend growth value.

## Scotiabank

**Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) is another major Canadian bank, which has a heavy international focus combined with strong footing in Canada.

BNS is another one of the best value stocks, simply due to the activity we should see around a more opened up economy and a dividend that will be permitted to freely grow moving forward.

As with BMO, BNS has a great track record for delivering [value](#) to investors. It hasn't missed a dividend since 1832, and is poised to continue delivering great value to investors.

As of this writing, BNS is trading at \$80.24 and yielding 4.49%. While that yield is a little low compared to BNS' usual standard, it's definitely got room to run going forward.

Investors looking for more exposure to commodity-based economies, which could benefit greatly from a more open world economy, should strongly consider BNS.

## Best value stocks strategy

Both BMO and BNS are among the best value stocks in Canada. These banking giants offer a unique combination of dividend growth and overall stability.

If you're looking for some solid value stocks to pick up for the long run, check out these two heavyweights.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BMO (Bank Of Montreal)
4. TSX:BNS (Bank Of Nova Scotia)

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jagseguin

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