



## Top 3 Cheap Stocks No One Is Talking About

### Description

There are plenty of [cheap stocks](#) that get recurring mentions on social media. Even here at the Motley Fool, some tech, energy, and bank stocks are simply more popular than all the others. These stocks get so much attention that there's little room for an average investor to have an edge. In other words, these ideas are crowded.

If you look below the radar, there are plenty of undervalued cheap stocks that rarely get mentioned. Some of these are so cheap that it's surprising anyone has overlooked them. Here are the top three cheap stocks barely anyone talks about.

### Cheap stock #1

**Fairfax India Holdings** ([TSX:FIH.U](#)) is my top pick on this list. Founder Prem Watsa doesn't get as much attention as he used to. That's because his core companies have been underperforming the market for years.

However, his India-based investment company is, in my opinion, special. The portfolio holds substantial stakes in some of the most valuable assets in the developing economy. It includes a controlling stake in Bengaluru's international airport, a thriving wealth management company, and the national stock exchange.

These assets are collectively worth *more than the company's market capitalization*. Yes, the underlying net asset value per share is \$20. The stock trades at \$11.9 right now. That means the stock price would be undervalued even if it doubled in the coming year! This cheap stock deserves a spot on your watch list for 2022 and beyond.

### Cheap stock #2

**Manulife Financial** ([TSX:MFC](#))([NYSE:MFC](#)) is yet another cheap stock that deserves some attention. The fact that it's an insurance company with more than \$1 trillion in assets under management makes

it surprising that it rarely gets mentioned as a financial giant. Yet this multinational financial juggernaut has operations across North America and Asia.

Exposure to Asia is especially intriguing. The region is growing much faster than North America. Penetration of insurance and wealth management products also have more room to grow.

None of this is reflected in Manulife's stock price. The stock trades at \$23.8 right now. That's a price-to-earnings ratio of seven! It also offers a dividend yield of 4.7%. This overlooked cheap stock could surge higher, as investors recognize its value.

## Cheap stock #3

**Power Corporation of Canada** ([TSX:POW](#)) is my final pick on this list. Just like Manulife, Power Corp. is an overlooked financial giant. The company has operations across North America, Europe, and Asia. It also has roughly \$630 billion in assets under management.

Power Corp. also has exposure to emerging FinTech startups such as Wealthsimple and Koho. That should spur some growth in value over the next few years.

Despite this scale, the stock trades at a P/E ratio of just 9.9. It's also trading at a price-to-book value ratio of 1.24. The company pays out less than half its annual earnings in dividends. Despite that, the dividend yield is as high as 4.7%.

Keep an eye on this cheap stock.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. TSX:FIH.U (FAIRFAX INDIA HOLDINGS CORPORATION USD)
3. TSX:MFC (Manulife Financial Corporation)
4. TSX:POW (Power Corporation of Canada)

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