Canadians: Now Is a Great Time to Snag These TSX Stocks for Your TFSA!

Description

The cumulative contribution room in a Tax-Free Savings Account (TFSA) rose to $81,500 in 2022. This $6,000 annual increase opened new possibility for investors in the early part of this new decade. Today, I want to look at three TSX stocks that are worth spending some of that increase on in the second half of May. Let's dive in.

Why I'm stashing this healthcare stock in my TFSA in 2022

Bausch Health (TSX:BHC)(NYSE:BHC) is a Laval-based company is engaged in the development, manufacture, and marketing a range of pharmaceutical, medical device, and over-the-counter (OTC) products. Shares of this TSX stock have plunged 59% in 2022 as of early afternoon trading on May 17.

This company unveiled its first-quarter 2022 earnings on May 10. Total revenues declined marginally to $1.91 billion. Bausch's revenues were negatively impacted by foreign exchange rates. Meanwhile, its net loss improved to $69 million compared to a larger net loss of $610 million in the first quarter of 2021. Meanwhile, organic growth was stable in the year-over-year period.

I'd suggested that investors should snatch up Bausch Health in the summer of 2021. This TSX stock is trading in very favourable value territory compared to its industry peers.

Canadians should snatch up this undervalued TSX stock right now

Manulife Financial (TSX:MFC)(NYSE:MFC) is a Toronto-based insurance and financial services company. Its shares have dropped 7.3% in the year-to-date period. The stock is down 10% compared to the previous year. I'd suggested that investors snatch up Manulife back in late March. This stock offers a chance at capital growth and nice income for TFSA investors.

The company released its first-quarter 2022 results on May 11. Net income soared $2.2 billion year over year to $3 billion. Meanwhile, core earnings fell 4% to $1.6 billion. Better yet, Manulife achieved Global Wealth and Asset Management net inflows of $6.9 billion compared to $1.4 billion in the first quarter of 2021. Asia new business value suffered a year-over-year loss compared to growth posted in Canadian and United States new business value. It faced major headwinds due to a round of new COVID-19 restrictions in Asia.

Shares of this TSX stock last had a very attractive P/E ratio of 4.9. It currently offers a quarterly dividend of $0.33 per share. That represents a strong 5.7% yield.

One more TSX stock that is perfect for a TFSA

Ag Growth International (TSX:AFN) is the third TSX stock I'd suggest adding to your TFSA in the second half of May. This Winnipeg-based company manufactures and distributes grain and rice handling, storage, and conditioning equipment in Canada and around the world. Its shares have dropped marginally in the year-to-date period.

In fiscal 2021, Ag Growth delivered sales growth of 20% to $1.19 billion. Meanwhile, adjusted EBITDA increased 18% to $176 million. Adjusted profit was reported at $63.2 million — up 5% from the previous year. This TSX stock last paid out a quarterly dividend of $0.15 per share, which represents a modest 1.8% yield.

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