Retirement Wealth: 3 Oversold TSX Dividend Stocks to Buy for Total Returns

Description

The market pullback is giving RRSP and TFSA investors an opportunity to buy top TSX dividend stocks at cheap prices across multiple sectors.

Manulife Financial

Manulife (TSX:MFC)(NYSE:MFC) operates insurance, wealth management, and asset management businesses in Canada, the United States, and Asia. The company posted record earnings in 2021 and raised the dividend by 18% for 2022.

Earnings for the first half of this year will likely be lower than initially expected. Higher morbidity and mortality claims that hit the numbers in Q1 due to the Omicron surge will combine with anticipated lower wealth and asset management performances in Q2.

That being said, the drop in the share price from $28 earlier this year to the current price around $22.50 likely reflects these challenges in the near-term market and gives investors a chance to buy Manulife stock at a discount. At the time of writing, the stock provides a 5.9% dividend yield.

Asia holds strong growth potential for the company, and COVID-19 should have a reduced impact on results through the second half of this year. Stock markets might remain volatile in the next few months but will eventually bounce back.

Suncor Energy

Suncor (TSX:SU)(NYSE:SU) trades near $41 per share at the time of writing. That's down from the 2022 high around $53. The company is working through some safety and operational challenges that recently resulted in the resignation the CEO. Suncor become the target of an activist investor earlier this year and more changes could be on the way.

Despite the turmoil, Suncor is generating significant profits at current oil prices and the downstream refining and retail divisions continue to recover. Earnings for Q2 2022 could come in higher than expected and provide a new tailwind for the stock.

Suncor raised the dividend by 100% late last year and increased the payout by 12% when it announced the Q1 2022 results. Another generous increase should be on the way for 2023, if not sooner. Suncor is also using excess cash to reduce debt and buy back stock. The current share-repurchase program allows the company to buy and cancel up to 10% of the outstanding float.

Suncor stock looks undervalued right now and offers investors a 4.5% dividend yield.

BCE

BCE (TSX:BCE)(NYSE:BCE) is Canada's largest communications company with wireline and wireless assets providing internet, TV, and mobile services to customers across the country. The media division is home to a television network, specialty channels, radio stations, and interests in sports teams.

BCE is a good defensive stock to buy for a retirement portfolio if you are concerned about inflation and recession risks. The company has the power to raise prices when costs increase. At the same time, the mobile and internet services are required by customers, regardless of the state of the economy.

BCE stock looks cheap right now near $53.50 per share and provides a 5.8% dividend yield.

The bottom line on top stocks to buy now for a retirement portfolio

Manulife, Suncor, and BCE pay attractive dividends that should continue to grow in the coming years. If you have some cash to put to work in a TFSA or RRSP, these stocks look cheap today for a portfolio focused on total returns.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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

PARTNER-FEEDS

1. Business Insider
2. Koyfin

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

PP NOTIFY USER

1. aswalker
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date
2025/08/24
Date Created
2022/07/13
Author
aswalker