



2 Canadian Stocks Too Cheap to Ignore Today

Description

The Canadian stock market has had a rough year so far in 2022, and the volatility does not seem like it will let up anytime soon. The **S&P/TSX Composite Index** is down by 15.29% from its 52-week high at writing. The Canadian benchmark index indicates a significant weakness in the Canadian equity market, as most Canadian stocks trade for significant discounts from their latest all-time highs.

Many Canadian stock market investors are busy offloading shares and looking for safe-haven assets to hedge against the volatility. However, savvy investors who recognize the downturn as an opportunity to find [undervalued stocks](#) are busy looking for high-quality equity securities trading at a bargain.

Are you an investor who falls into the latter category? Here are two TSX stocks that have become too cheap to ignore. Let's take a closer look to help you determine whether they could find a place in your investment portfolio.

Bank of Nova Scotia

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is a \$90.86 billion market capitalization Canadian financial institution. Headquartered in Toronto, Scotiabank stock is one of the Big Six Canadian banks. It enjoys greater exposure to emerging markets in its international operations compared to its peers.

The bank boasts significant long-term growth potential due to its emerging market operations. It also has strong domestic operations that deliver safe and stable cash flows.

Bank of Nova Scotia trades for \$75.44 per share at writing, and it boasts a juicy 5.46% dividend yield. Scotiabank stock is down by 20.58% from its 52-week high, reflecting a significant discount.

The lower valuation has also inflated its dividend yields to attractive levels. Between the inflated dividend yield and discounted share prices, Scotiabank stock could be an excellent asset for value-seeking investors to consider.

Wheaton Precious Metals

Wheaton Precious Metals ([TSX:WPM](#))([NYSE:WPM](#)) is a \$20.42 billion market capitalization precious metals streaming company. Headquartered in Vancouver, the company does not have mining operations itself.

Rather, it has agreements with 23 operating mines to purchase gold and silver at low prices. The company pays those mines a predetermined amount to assist in developing the mines, making its business less capital intensive and more profitable.

Wheaton Precious Metals stock trades for \$45.22 per share at writing, and it boasts a 1.70% dividend yield. Wheaton Precious Metals stock is down by almost 24% from its 52-week high, trading for a significant discount.

WPM stock has a 12-month average consensus price target of \$70.60 per share, with a high forecast of \$86 per share, presenting a significant upside potential. It could be an attractive investment to consider at current levels for investors bullish about its recovery.

Foolish takeaway

A word of warning: the stock market is still quite volatile, and the macroeconomic factors contributing to its uncertainty might persist for several weeks or months. The next few weeks could see the value of any investments you make right now decline further. Risk-averse investors concerned about short-term returns might want to be wary of investing right now.

Let's suppose you have a long investment horizon and are not worried about what happens in a few weeks. In that case, looking for undervalued investments with the potential to deliver substantial long-term returns might be a good way to go in the current environment.

Scotiabank stock and Wheaton Precious Metals stock could be excellent assets to consider adding to your portfolio for this purpose.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:WPM (Wheaton Precious Metals Corp.)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:WPM (Wheaton Precious Metals Corp.)

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. adamothonman
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/06/27

Date Created

2022/07/16

Author

adamothonman

default watermark

default watermark