



These 2 TSX Stocks Trade for Excellent Deals Right Now

Description

The **S&P/TSX Composite Index** is down by 14.18% from its 52-week high at writing. The Canadian benchmark index reflects a significant correction throughout the stock market. Many investors are afraid of market corrections. However, these periods provide value-seeking, long-term investors the opportunity to purchase top TSX stocks for a bargain.

Of course, the decline in valuation during market corrections does not make all TSX stocks bargain opportunities. These downturns often bring down the valuation of overvalued companies to more reasonable levels. Conducting your due diligence when shopping for [undervalued stocks](#) that can deliver substantial long-term returns is important.

It is safer to invest in high-quality companies operating in industries with a higher likelihood to recover to better valuations once markets settle down. Investing in industry-leading TSX stocks could be an excellent way to decide which stocks you can add to your self-directed portfolio.

Today, I will discuss two such stocks that could be ideal for this purpose.

Toronto-Dominion Bank

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is a \$148.32 billion market capitalization Canadian bank headquartered in Toronto. One of the Big Six Canadian banks, TD Bank boasts strong domestic and international banking operations.

Recessionary fears have impacted financial stocks throughout Canada, leading to a decline in TD Bank stock's valuation in recent weeks, despite a strong operational performance.

Toronto-Dominion Bank stock trades for \$82.24 per share at writing and boasts a juicy 4.33% dividend yield. It is down by 24.60% from its 52-week high, and its discounted valuation has inflated its dividend yield. It could be an ideal time to add to your position in the stock and capitalize on the higher-yielding distributions and long-term capital gains.

Brookfield Asset Management

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) is a \$101.49 billion market capitalization alternative investment management company. Headquartered in Toronto, the company owns and manages assets across various sectors of the economy, including commercial properties, renewable power assets, infrastructure assets, and much more.

Brookfield Asset Management stock trades for \$61.84 per share at writing and boasts a 1.15% dividend yield. It is down by 21.76% from its 52-week high, but the current volatility in the market could spell good news for long-term investors.

Brookfield Asset Management seeks and invests in assets that can deliver steady returns during such market environments. The company's investments during this time could bode well for its long-term investors.

Foolish takeaway

TD Bank stock and Brookfield Asset Management stock appear undervalued at current levels, making them attractive investments for long-term buy-and-hold investors. A word of warning: stock market investing is inherently risky, especially during volatile market conditions.

Investing at current levels could still expose you to further downside in the near term. However, high-quality stocks with wide economic moats and solid fundamentals can recover and deliver excellent returns. You could add to your positions in these stocks if you are already an investor or consider establishing a position in the two industry-leading stocks if you are not already an investor.

CATEGORY

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2. NYSE:TD (The Toronto-Dominion Bank)
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