



3 Outstanding TSX Stocks That Just Went on Sale

Description

The market pullback is giving investors a chance to buy leading [TSX](#) dividend stocks at [undervalued](#) prices.

Bank of Montreal

Bank of Montreal ([TSX:BMO](#)) is now Canada's third-largest bank with a [market capitalization](#) of \$81.5 billion at the time of writing. The company is using the excess cash it built up during to pandemic to make a large acquisition in the United States. BMO Harris Bank, the American subsidiary, is buying **Bank of the West** for US\$16.3 billion. The deal will add more than 500 branches and solidify a strong presence in the California market.

Bank of Montreal raised the dividend by 25% late in 2021 and by another 4.5% in 2022. The board has paid investors a dividend every year for nearly two centuries. At the time of writing, the stock trades near \$121 per share compared to \$154 at the 2022 peak and currently offers a 4.6% dividend yield.

BCE

BCE ([TSX:BCE](#)) is a good stock to buy if you want to get a reliable high-yield dividend from a company that should see relatively stable revenue generation through a recession. Businesses and households need mobile and internet services regardless of the state of the economy.

BCE continues to invest in network upgrades to grow revenue and protect its wide competitive moat. In 2022 alone, BCE is spending \$5 billion to extend its fibre-to-the-premises program and grow the [5G](#) mobile network. The company is connecting another 900,000 buildings with fibre optic lines this year and is aggressively expanding its 5G coverage after spending \$2 billion in 2021 on new 3,500 MHz spectrum.

The stock looks oversold near \$59 per share. BCE traded as high as \$74 in the spring. At the current share price, investors can get a 6.25% yield.

TC Energy

TC Energy ([TSX:TRP](#)) trades for close to \$58 per share at the time of writing. It was also at \$74 earlier this year. Investors who buy the stock at the current level can get a 6.1% dividend yield.

TC Energy owns and operates 93,300 km of natural gas pipelines and more than 650 billion cubic square feet of natural gas storage capacity in Canada, the United States, and Mexico. Domestic and international demand for North American natural gas is on the rise. Utilities that produce electricity are converting facilities from coal to natural gas in an effort to reduce carbon dioxide emissions.

At the same time, the war in Ukraine is forcing Europe and other buyers of natural gas to find new sources to replace supplies that historically came from Russia. Exports of liquified natural gas (LNG) from Canada and the United States are set to surge as a result. TC Energy has the infrastructure in place or under construction to move natural gas from producers to LNG facilities.

The board raised the dividend in each of the past 22 years. Investors should see steady annual payout growth in the 3-5% range, support by the \$28 billion capital program.

The bottom line on good stocks to buy now

Bank of Montreal, BCE, and TC Energy pay attractive dividends that should continue to grow in the coming years. If you have some cash to put to work in a Tax-Free Savings Account (TFSA) or Registered Retirement Savings Plan (RRSP), these stocks deserve to be on your radar.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BMO (Bank of Montreal)
3. NYSE:TRP (Tc Energy)
4. TSX:BCE (BCE Inc.)
5. TSX:BMO (Bank Of Montreal)
6. TSX:TRP (TC Energy Corporation)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred

6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

PP NOTIFY USER

1. aswalker
2. kduncombe

Category

1. Investing

Date

2025/08/14

Date Created

2022/10/21

Author

aswalker

default watermark

default watermark