2 TSX Stocks to Buy This Fall Before They Recover

Description

The turmoil in stock markets in 2022 has led many investors to lose significant capital due to downturns. However, it has also provided an opportunity for savvier investors to buy shares of high-quality but undervalued stocks at attractive valuations.

The macroeconomic factors causing problems in equity markets persist. Rising inflation and interest rate hikes are making things difficult for everybody. Many Canadian investors remain spooked by the volatility and are taking their money out of the stock market to prevent further losses.

However, Foolish investors with a long-term investment horizon recognize the volatility as an opportunity to find and invest in bargains on the stock market.

Nutrien

Nutrien (TSX:NTR) is a $55.29 billion market capitalization Canadian fertilizer company. Headquartered in Saskatoon, Nutrien is the world's largest potash producer and the third-largest nitrogen fertilizer producer. The company also owns and operates over 2,000 retail locations throughout North America, South America, and Australia, and it is an essential player in the global agriculture industry.

The chart above shows Nutrien stock trades for a substantial discount from its 52-week high. It trades for $105.50 per share at current levels, down by 28.68% from its 52-week high.

Given its dominating position in its industry, Nutrien stock is one of the best Canadian stocks you can add to your portfolio if you seek undervalued stocks. The fact that it pays its shareholders quarterly at a 2.50% dividend yield makes it even more of an attractive investment.

Telus

Telus (TSX:T) is another industry-leading stock to consider adding to your portfolio right now.

Headquartered in Vancouver, this $41.59 billion market capitalization telecommunications giant is another company providing an essential service.

While not a leading presence in global telecommunications, Telus is one of the largest telecoms in Canada’s primarily consolidated industry. The essential nature of the services it provides makes Telus a highly defensive business you can buy and hold for the long term.

As of this writing, Telus stock trades for $28.93 per share, down by 16.50% from its 52-week high. While it is not trading for a steep discount compared to many other TSX stocks, it is still below its highest levels right now.

At these levels, Telus stock boasts a juicy 4.85% dividend yield you can lock in. The company is well capitalized and well positioned to ride the wave of uncertainty. It can be an excellent addition to your portfolio right now.

Foolish takeaway

Not every stock trading for a discount from its all-time highs is an undervalued asset. It is essential to look for and invest in the stock of high-quality companies with solid financials and the potential to beat market volatility to come out stronger in the long run.

Conducting your due diligence on potential investment can pay off in the long run, especially if you have the patience and discipline to remain invested after you find such high-quality stock.

Nutrien stock and Telus stock are two excellent examples of assets you can buy right now and hold for the long term to achieve this goal.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:NTR (Nutrien)
2. TSX:TD (The Toronto-Dominion Bank)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
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Author
adamothman