



## Is Now the Right Time to Buy Manulife Stock?

### Description

**Manulife Financial** ([TSX:MFC](#)) is a Toronto-based company that provides financial products and services in Canada, the United States, Asia, and around the world. Today, I want to discuss whether now is the right time to snatch up this [top Canadian stock](#). Let's jump in.

### How has Manulife stock performed in 2022?

Shares of Manulife have dropped 6% in 2022 as of close on November 17. That has made up the bulk of its losses in the year-over-year period. However, its shares have shot up 5.9% month over month. This stock took a major hit during the sharp market pullback, stirred by the beginnings of the COVID-19 pandemic in the first half of 2020. Manulife was able to bounce back a year later, but the stock has since floundered and failed to keep up with many of its better-performing peers in the financial space.

### Here's why I'm still very excited about the insurance space

This Canadian company has carved out a strong presence in Asia. Investors should be excited about this prospect, as the middle class is experiencing tremendous growth on the continent, particularly in east Asia. In 2020, the World Economic Forum (WEF) estimated that two billion Asians were members of the middle class. It projects that number to grow to 3.5 billion by 2030. Why is this noteworthy? The middle class is a key driver for the insurance space.

In the summer, ResearchAndMarkets estimated that the global insurance market was set to grow to \$5.93 trillion in 2022 compared to \$5.37 trillion in 2021. Better yet, the report projects that the global insurance market will deliver a compound annual growth rate (CAGR) of 9.1% through to 2026 when the market will hit a valuation of roughly \$8.39 trillion. This should spur interest in Manulife stock right now.

### Should investors be pleased with Manulife's recent earnings?

Manulife released its third-quarter fiscal 2022 earnings on November 9. It posted net income of \$1.3 billion in the third quarter (Q3) 2022 — down \$0.2 billion from the prior year. Meanwhile, core earnings decreased 14% on a constant exchange rate basis to \$1.3 billion. The company posted Global Wealth and Asset Management net inflows of \$3.0 billion, which was down from net inflows of \$9.8 billion in the previous year. Like other giants in the financial space, this company has had to wrestle with a sharp increase in interest rates and choppy capital markets around the world.

ManuAcademy is a regional digital learning platform that was recently rolled out to Vietnam in the second quarter of fiscal 2022. In this most recent quarter, the company announced that it had “accelerated the utilization” of the platform. This has led to the recruitment of over 11,000 newly recruited insurance agents.

## Is this stock worth buying today?

President and chief executive officer Roy Gori praised the company’s performance in the face of major economic headwinds. The company is well positioned to take advantage of the growth of the middle class in some of the fastest-growing economies in East Asia.

Shares of Manulife currently possess a very attractive [price-to-earnings ratio of 6.2](#). It last declared a quarterly dividend of \$0.33 per share. That represents a [strong 5.6% yield](#). This stock boasts nice value, a strong dividend yield, and a bright future in a promising market. I’m looking to snatch up Manulife stock in the final weeks of November.

### CATEGORY

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