



3 Cheap Stocks to Add to Your Portfolio Today

Description

As many investors have come to know, finding the right stock at the right price is a difficult task. To make things easier I have compiled a list of three stocks that are trading at inexpensive forward valuations compared with their five-year averages, so let's take a closer look at each to determine which one would fit best in your portfolio.

1. Open Text Corporation

Open Text Corporation (TSX:OTC)([NASDAQ:OTEX](#)) is one of the world's largest providers of enterprise information management. At today's levels, its stock trades at just 15.1 times fiscal 2015's estimated earnings per share of \$3.45 and only 14 times fiscal 2016's estimated earnings per share of \$3.73, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 29.4. In addition, the company pays a quarterly of \$0.20 per share, or \$0.80 per share annually, giving its stock a 1.5% yield.

2. Cogeco Cable Inc.

Cogeco Cable Inc. ([TSX:CCA](#)) is the 11th-largest cable operator in North America and one of the largest in Canada. At current levels, its stock trades at just 12.8 times fiscal 2015's estimated earnings per share of \$5.29 and only 12.6 times fiscal 2016's estimated earnings per share of \$5.39, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 13.2. Additionally, the company pays a quarterly dividend of \$0.35 per share, or \$1.40 per share annually, which gives its stock a 2.05% yield.

3. Constellation Software Inc.

Constellation Software Inc. ([TSX:CSU](#)) is one of the world's leading providers of software and related services to businesses in both the private and public sectors. At today's levels, its stock trades at just 31.9 times fiscal 2015's estimated earnings per share of \$16.18 and only 26.6 times fiscal 2016's estimated earnings per share of \$19.39, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 38.1. In addition, the company pays a quarterly dividend of \$1.00 per share, or \$4.00 per share annually, giving its stock a 0.8% yield.

Which of these three stocks should you buy today?

Open Text, Cogeco Cable, and Constellation Software are three of the top value plays in the market. Foolish investors should take a closer look and strongly consider initiating long-term positions in at least one of them.

CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners
4. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:OTEX (Open Text Corporation)
2. TSX:CCA (COGECO CABLE INC)
3. TSX:CSU (Constellation Software Inc.)
4. TSX:OTEX (Open Text Corporation)

Category

1. Dividend Stocks
2. Investing
3. Stocks for Beginners
4. Tech Stocks

Date

2025/08/24

Date Created

2015/06/18

Author

jsolitro

default watermark