



## Value Investors: 3 Cheap Stocks to Buy Right Now

### Description

As most investors have learned, finding the right stock at the right price is a difficult task. In order to make things easier, I have compiled a list of three stocks that are trading at inexpensive valuations compared with the industry average, so let's take a closer look at each to determine which one would fit best in your portfolio.

#### 1. Richelieu Hardware Ltd.

**Richelieu Hardware Ltd.** ([TSX:RCH](#)) is one of the largest importers and distributors of specialty hardware and related products in North America. At today's levels, its stock trades at just 20.5 times fiscal 2015's estimated earnings per share of \$2.95 and only 18.7 times fiscal 2016's estimated earnings per share of \$3.23, both of which are inexpensive compared with the industry average price-to-earnings multiple of 24.9. In addition, the company pays a quarterly dividend of \$0.15 per share, or \$0.60 per share annually, giving its stock a 1% yield at today's levels.

#### 2. The Jean Coutu Group Inc.

**The Jean Coutu Group Inc.** (TSX:PJC.A) is one of the largest owners and operators of pharmacies in Canada. At current levels, its stock trades at just 18.9 times fiscal 2016's estimated earnings per share of \$1.22 and only 17.5 times fiscal 2017's estimated earnings per share of \$1.32, both of which are inexpensive compared with the industry average price-to-earnings multiple of 24.9. Additionally, the company pays a quarterly dividend of \$0.11 per share, or \$0.44 per share annually, which gives its stock a 1.9% yield at today's levels.

#### 3. Bank of Montreal

**Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) is the fourth-largest bank in Canada in terms of total assets. At today's levels, its stock trades at just 11.1 times fiscal 2015's estimated earnings per share of \$6.73 and only 10.5 times fiscal 2016's estimated earnings per share of \$7.10, both of which are inexpensive compared with the industry average price-to-earnings multiple of 13.2. In addition, the company pays a quarterly dividend of \$0.82 per share, or \$3.28 per share annually, giving its stock a 4.4% yield at current levels.

### Which of these three stocks belong in your portfolio?

Richelieu Hardware, Jean Coutu, and Bank of Montreal are three of the top value plays in the market today. Foolish investors should take a closer look and strongly consider establishing positions in at least one of them.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing
4. Metals and Mining Stocks
5. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. TSX:BMO (Bank Of Montreal)
3. TSX:TLRY (Aphria)

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