



3 Cheap Dividend-Paying Stocks I'd Buy With an Extra \$5,000

Description

As many investors have come to know, finding the right stock at the right price is a difficult task. To make things easier for you, I have compiled a list of three dividend-paying 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 be the best fit in your portfolio.

1. Bank of Nova Scotia

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is the third-largest bank in Canada, with \$837.16 billion in total assets as of April 30, 2015. At today's levels, its stock trades at 11.5 times fiscal 2015's estimated earnings per share of \$5.71 and 10.8 times fiscal 2016's estimated earnings per share of \$6.11, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 12.4. In addition, the company pays a quarterly dividend of \$0.68 per share, or \$2.72 per share annually, giving its stock a 4.1% yield.

2. CCL Industries Inc.

CCL Industries Inc. ([TSX:CCL.B](#)) is one of the largest providers of specialty packing products and it is the largest label company in the world. At current levels, its stock trades at 20.2 times fiscal 2015's estimated earnings per share of \$7.49 and 18.4 times fiscal 2016's estimated earnings per share of \$8.21, the latter of which is inexpensive compared with its five-year average price-to-earnings multiple of 18.6. Additionally, the company pays a quarterly dividend of \$0.375 per share, or \$1.50 per share annually, which gives its stock a 1% yield.

3. Altus Group Ltd.

Altus Group Ltd. ([TSX:AIF](#)) is one of the leading providers of advisory services, software, and data solutions to the world's commercial real estate industry. At today's levels, its stock trades at 18.5 times fiscal 2015's estimated earnings per share of \$0.97 and 14.3 times fiscal 2016's estimated earnings per share of \$1.25, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 61.5. In addition, the company pays a quarterly dividend of \$0.15 per share, or \$0.60 per share annually, giving its stock a 3.35% yield.

Is there a place for one of these stocks in your portfolio?

Bank of Nova Scotia, CCL Industries, and Altus Group are three very inexpensive investment options. Foolish investors should strongly consider beginning to scale in to long-term positions in at least one of them today.

CATEGORY

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

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. TSX:BNS (Bank Of Nova Scotia)
3. TSX:CCL.B (CCL Industries)

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Author

jsolitro

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