



The Instant 3-Stock Portfolio for Growth and Income

Description

As many investors have found out the hard way, building a portfolio for growth or income can be very difficult, and it is even more difficult to build one that can provide both. To make things easier, I have compiled a list of three dividend-paying stocks that trade at inexpensive forward valuations compared with their five-year averages, so let's take a closer look to determine if you should buy one or all of them today.

1. Thomson Reuters Corporation

Thomson Reuters Corporation ([TSX:TRI](#))(NYSE:TRI) is the world's leading source of intelligent information for businesses and professionals. At today's levels, its stock trades at 23.9 times fiscal 2015's estimated earnings per share of \$2.02 and 21 times fiscal 2016's estimated earnings per share of \$2.30, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 42.6. In addition, the company pays a quarterly dividend of \$0.335 per share, or \$1.34 per share annually, giving its stock a 2.8% yield.

2. Liquor Stores N.A. Ltd.

Liquor Stores N.A. Ltd. (TSX:LIQ) is one of the largest retailers of liquor in Canada. At current levels, its stock trades at 20.8 times fiscal 2015's estimated earnings per share of \$0.70 and 16.7 times fiscal 2016's estimated earnings per share of \$0.87, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 21.1. Additionally, the company pays a monthly dividend of \$0.09 per share, or \$1.08 per share annually, which gives its stock a 7.4% yield.

3. AGT Food and Ingredients Inc.

AGT Food and Ingredients Inc. ([TSX:AGT](#)) is one of the largest suppliers of value-added pulses, staple foods, and food ingredients in the world. At today's levels, its stock trades at 20.8 times fiscal 2015's estimated earnings per share of \$1.59 and 15.2 times fiscal 2016's estimated earnings per share of \$2.17, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 36.2. In addition, the company pays a quarterly dividend of \$0.15 per share, or \$0.60 per share annually, giving its stock a 1.8% yield.

Which of these stocks should you buy today?

Thomson Reuters, Liquor Stores N.A., and AGT Food and Ingredients are three stocks that can provide both growth and income for your portfolio. Foolish investors should take a closer look and consider buying one or all of them today.

CATEGORY

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

TICKERS GLOBAL

1. NASDAQ:TRI (Thomson Reuters)
2. TSX:TRI (Thomson Reuters)

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