



3 Diversified Stock Picks for Long-Term Investors

Description

As many investors have come to know, finding the right stock at the right price can be a very tough task. To make things easier for you, 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. Computer Modelling Group Ltd.

Computer Modelling Group Ltd. ([TSX:CMG](#)) is a computer software technology company that serves the world's oil and natural gas industries. At current levels, its stock trades at 32.1 times fiscal 2015's estimated earnings per share of \$0.41 and 28.7 times fiscal 2016's estimated earnings per share of \$0.46, the latter of which is inexpensive compared with its five-year average price-to-earnings multiple of 30.7. Additionally, the company pays a quarterly dividend of \$0.10 per share, or \$0.40 per share annually, which gives its stock a 3% yield.

2. Extendicare Inc.

Extendicare Inc. ([TSX:EXE](#)) is one of Canada's largest owners and operators of senior care centres. At today's levels, its stock trades at 38.6 times fiscal 2015's estimated earnings per share of \$0.20 and 29.7 times fiscal 2016's estimated earnings per share of \$0.26, the latter of which is inexpensive compared with its five-year average price-to-earnings multiple of 35.6. In addition, the company pays a monthly dividend of \$0.04 per share, or \$0.48 per share annually, giving its stock a 6.2% yield.

3. Valeant Pharmaceuticals Intl. Inc.

Valeant Pharmaceuticals Intl. Inc. ([TSX:VRX](#))([NYSE:VRX](#)) is one of the world's largest pharmaceutical companies. At today's levels, its stock trades at 27.4 times fiscal 2015's estimated earnings per share of US\$10.55 and 21.3 times fiscal 2016's estimated earnings per share of US\$13.57, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 159.6. Investors should note that the company does not currently pay dividends, but its increased amount of cash flow from operations, including 11.3% year-over-year growth to \$708.1 million in the first quarter of fiscal 2015, could allow it to initiate one or announce a special dividend in

the very near future.

Could your portfolio use one of these stocks?

Computer Modelling Group, Extendicare, and Valeant Pharmaceuticals represent three of the best long-term investment opportunities in the market today. Foolish investors should take a closer look and consider buying one or more of them.

CATEGORY

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

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BHC (Bausch Health Companies Inc.)
2. TSX:BHC (Bausch Health Companies Inc.)
3. TSX:EXE (Extendicare Inc.)

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Author

jsolitro

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