



3 Diversified Stock Picks for Growth and Income

Description

As many investors know, finding the right stock at the right price is not an easy task. It is even more difficult to find a stock that can provide both growth and dividend income. To make things easier on 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 to determine which one would fit best in your portfolio.

1. Veresen Inc.

Veresen Inc. (TSX:VSN) is one of North America's largest diversified energy infrastructure companies. At today's levels, its stock trades at 42.5 times fiscal 2015's estimated earnings per share of \$0.37 and 35.8 times fiscal 2016's estimated earnings per share of \$0.44, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 50. In addition, the company pays a monthly dividend of \$0.0833 per share, or \$1.00 per share annually, giving its stock a 6.35% yield.

2. Gluskin Sheff + Associates Inc.

Gluskin Sheff + Associates Inc. (TSX:GS) is one of Canada's pre-eminent wealth management firms, serving high net-worth individuals and select institutional investors. At current levels, its stock trades at 15.3 times fiscal 2015's estimated earnings per share of \$1.68 and 12.4 times fiscal 2016's estimated earnings per share of \$2.07, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 16.1. Additionally, the company pays a quarterly dividend of \$0.225 per share, or \$0.90 per share annually, giving its stock a 3.5% yield.

3. Royal Gold Inc.

Royal Gold Inc. (TSX:RGL)([NASDAQ:RGLD](#)) is one of the world's largest precious metals royalty and stream companies, with ownership interests in 37 mines and 23 development-stage projects around the world. At today's levels, its stock trades at 53.3 times fiscal 2015's estimated earnings per share of US\$1.48 and 45.3 times fiscal 2016's estimated earnings per share of US\$1.74, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 63.7. In addition, the company pays a quarterly dividend of US\$0.22 per share, or US\$0.88 per share annually, giving its

stock a 1.4% yield.

Should you buy one of these stocks?

Veresen, Gluskin Sheff + Associates, and Royal Gold 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 right now.

CATEGORY

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

TICKERS GLOBAL

1. NASDAQ:RGLD (Royal Gold, Inc.)

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Date

2025/08/04

Date Created

2015/07/09

Author

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