



Your Instant 3-Stock Portfolio for Growth and Income

Description

If you're looking to build a portfolio of stocks that can provide both growth and dividend income, then you have come to the right place. I have scoured the market and compiled a list of three dividend-paying stocks that are trading at inexpensive forward valuations compared with their industry averages and their five-year averages, so let's take a closer look at each to determine if you should buy one or all of them today.

1. First Capital Realty Inc.

First Capital Realty Inc. (TSX:FCR) is one of Canada's largest owners, developers, and managers of grocery-anchored urban properties. At today's levels, its stock trades at 17.8 times fiscal 2015's estimated earnings per share of \$1.04 and 17 times fiscal 2016's estimated earnings per share of \$1.09, both of which are inexpensive compared with its industry average price-to-earnings multiple of 19 and its five-year average multiple of 24.9. In addition, the company pays a quarterly dividend of \$0.215 per share, or \$0.86 per share annually, giving its stock a 4.6% yield.

2. Badger Daylighting Ltd.

Badger Daylighting Ltd. (TSX:BAD) is North America's leading provider of non-destructive hydro-vac excavation services. At current levels, its stock trades at 16.5 times fiscal 2015's estimated earnings per share of \$1.47 and 13.9 times fiscal 2016's estimated earnings per share of \$1.75, both of which are inexpensive compared with its industry average price-to-earnings multiple of 31.9, the latter of which is inexpensive compared with its five-year average multiple of 16.1. The company also pays a monthly dividend of \$0.03 per share, or \$0.36 per share annually, which gives its stock a 1.5% yield.

3. High Liner Foods Inc.

High Liner Foods Inc. ([TSX:HLF](#)) is one of the leading processors and distributors of frozen seafood in North America. At today's levels, its stock trades at 15.5 times fiscal 2015's estimated earnings per share of \$1.55 and 12.6 times fiscal 2016's estimated earnings per share of \$1.91, both of which are inexpensive compared with its industry average price-to-earnings multiple of 25.8 and its five-year average multiple of 51.4. Additionally, the company pays a quarterly dividend of \$0.12 per share, or

\$0.48 per share annually, giving its stock a 2% yield.

Should you add one of these stocks to your portfolio?

First Capital Realty, Badger Daylighting, and High Liner Foods are three of the top value and dividend plays in their respective industries. Foolish investors should take a closer look and consider initiating positions in one or all of them.

CATEGORY

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

TICKERS GLOBAL

1. TSX:BDGI (Badger Infrastructure Solutions Ltd.)
2. TSX:FCR.UN (First Capital Real Estate Investment Trust)
3. TSX:HLF (High Liner Foods Incorporated)

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