



## 3 Cheap Foods Stocks I'd Buy With an Extra \$5,000

### Description

As most investors know, it can be very difficult finding the right stock at the right price when you are ready to buy, but the recent downturn in the market has created numerous opportunities. Let's take a look at three stocks from the food products industry that are now trading at inexpensive forward valuations compared with their five-year averages to determine which would be the best fit for your portfolio.

#### 1. Maple Leaf Foods Inc.

**Maple Leaf Foods Inc.** ([TSX:MFI](#)) is one of the largest manufacturers of packaged meats in Canada. At today's levels, its stock trades at 34.4 times fiscal 2015's estimated earnings per share of \$0.65 and 18.9 times fiscal 2016's estimated earnings per share of \$1.18, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 33.6. Also, the company pays a quarterly dividend of \$0.08 per share, or \$0.32 per share annually, giving its stock a 1.4% yield.

#### 2. Clearwater Seafoods Inc.

**Clearwater Seafoods Inc.** (TSX:CLR) is North America's largest vertically integrated harvester, processor, and distributor of premium shellfish. At current levels, its stock trades at 19.3 times fiscal 2015's estimated earnings per share of \$0.56 and 16.1 times fiscal 2016's estimated earnings per share of \$0.67, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 406.7. In addition, the company pays a quarterly dividend of \$0.04 per share, or \$0.16 per share annually, which gives its stock a 1.5% yield.

#### 3. SunOpta Inc.

**SunOpta Inc.** ([TSX:SOY](#)) is one of the world's leaders in the sourcing, processing, and packaging of organic, non-genetically modified, and specialty food products. At today's levels, its stock trades at 36.2 times fiscal 2015's estimated earnings per share of \$0.29 and 21.4 times fiscal 2015's estimated earnings per share of \$0.49, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 233. The company does not currently pay a dividend, but there's a strong possibility that it will when it's done reinvesting in its business to drive growth.

### **Which of these foods stocks would fit best in your portfolio?**

Maple Leaf Foods, Clearwater Seafoods, and SunOpta are three of the most attractive value plays in the food products industry. Foolish investors should take a closer look and consider scaling in to long-term positions in one of them today.

### **CATEGORY**

1. Investing

### **TICKERS GLOBAL**

1. TSX:MFI (Maple Leaf Foods Inc.)
2. TSX:SOY (SunOpta Inc.)

### **Category**

1. Investing

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