



## 3 Stocks to Add Value to Your Portfolio

### Description

As investors know, finding the right stock at the right price can be a very difficult task, especially in today's volatile times. In order to make things easier for you, I have done the groundwork and found three stocks that are trading at inexpensive forward valuations, so let's take a look and find out which is the best fit for your portfolio.

#### 1. Gildan Activewear Inc.

(All figures are in U.S. dollars)

**Gildan Activewear Inc.** ([TSX:GIL](#))([NYSE:GIL](#)) is one of world's largest manufacturers and distributors of branded apparel, including T-shirts, fleece, sport shirts, underwear, socks, and shapewear.

At today's levels, its stock trades at 25.6 times fiscal 2015's estimated earnings per share of \$1.51 and 20.3 times fiscal 2016's estimated earnings per share of \$1.91, both of which are inexpensive compared with its trailing-12-month price-to-earnings multiple of 30.8 and its industry average multiple of 31.7.

I think Gildan's stock could consistently command a fair multiple of at least 28, which would place its shares upwards of \$53 by the conclusion of fiscal 2016, representing upside of more than 36% from current levels.

In addition, the company pays a quarterly dividend of \$0.065 per share, or \$0.26 per share annually, giving its stock a 0.9% yield.

#### 2. Exco Technologies Limited

**Exco Technologies Limited** ([TSX:XTC](#)) is one of the world's leading manufacturers of dies, moulds, equipment, components, and assemblies to the die-cast, extrusion, and automotive industries.

At current levels, its stock trades at 14.8 times fiscal 2015's estimated earnings per share of \$0.98 and 11.8 times fiscal 2016's estimated earnings per share of \$1.23, both of which are inexpensive

compared with its trailing-12-month price-to-earnings multiple of 16 and its industry average multiple of 17.8.

I think Exco's stock could consistently command a fair multiple of at least 16, which would place its shares upwards of \$19 by the conclusion of fiscal 2016, representing upside of more than 31% from today's levels.

Additionally, the company pays a quarterly dividend of \$0.06 per share, or \$0.24 per share annually, which gives its stock a 1.7% yield.

### **3. Manulife Financial Corp.**

**Manulife Financial Corp.** ([TSX:MFC](#))([NYSE:MFC](#)) is one of the largest financial services companies in Asia, Canada, and the U.S., and it is the company behind John Hancock Financial, which operates in the U.S.

At today's levels, its stock trades at 12 times fiscal 2015's estimated earnings per share of \$1.79 and 10.4 times fiscal 2016's estimated earnings per share of \$2.06, both of which are inexpensive compared with its trailing-12-month price-to-earnings multiple of 13.7 and its industry average multiple of 23.8.

I think Manulife's stock could consistently command a fair multiple of at least 14, which would place its shares upwards of \$28 by the conclusion of fiscal 2016, representing upside of more than 30% from current levels.

In addition, the company pays a quarterly dividend of \$0.17 per share, or \$0.68 per share annually, giving its stock a 3.2% yield.

### **Could your portfolio use one of these value plays?**

Gildan Activewear, Exco Technologies, and Manulife Financial are three of the top value plays in their respective industries, and all have the added benefit of dividends. Foolish investors should take a closer look and consider establishing positions in one or more of them.

### **CATEGORY**

1. Investing

### **TICKERS GLOBAL**

1. NYSE:GIL (Gildan Activewear Inc.)
2. NYSE:MFC (Manulife Financial Corporation)
3. TSX:GIL (Gildan Activewear Inc.)
4. TSX:MFC (Manulife Financial Corporation)
5. TSX:XTC (Exco Technologies Limited)

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### **Date**

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