



3 Mid-Cap Stocks for Value-Conscious Investors

Description

One thing we can all agree on is that it is not always easy finding the right stock at the right price when we are ready to buy. Well, to make things easier for you, I have scoured the market and found three dividend-paying mid-caps that are trading at inexpensive forward valuations, so let's take a closer look to determine which would fit best in your portfolio.

1. Gibson Energy Inc.

Gibson Energy Inc. ([TSX:GEI](#)) is one of the largest independent midstream energy companies in North America, with operations in some of the most hydrocarbon-rich basins in the world.

At today's levels, its stock trades at 62.7 times fiscal 2015's estimated earnings per share of \$0.31 and 38.1 times fiscal 2016's estimated earnings per share of \$0.51, both of which are inexpensive compared with its trailing 12-month price-to-earnings multiple of 111.1.

In addition, Gibson pays a quarterly dividend of \$0.32 per share, or \$1.28 per share annually, giving its stock a 6.6% yield. Investors should also note that the company has raised its dividend every year since it first began paying one in October 2011, resulting in four consecutive years of increases, and its increased amount of cash provided by operating activities, including 72.5% year-over-year growth to \$294.06 million in the first half of fiscal 2015, could allow this streak to continue in 2016.

2. WestJet Airlines Ltd.

WestJet Airlines Ltd. (TSX:WJA) is one of the largest airliners in North America, and it also provides air, hotel, car, and excursion packages through its WestJet Vacations segment.

At today's levels, its stock trades at 8.3 times fiscal 2015's estimated earnings per share of \$3.00 and 8.4 times fiscal 2016's estimated earnings per share of \$2.97, both of which are inexpensive compared with its trailing 12-month price-to-earnings multiple of 9.3.

Additionally, WestJet pays quarterly dividend of \$0.14 per share, or \$0.56 per share annually, which gives its stock a 2.25% yield. Investors should also note that the company has increased its dividend

for four consecutive years, and its strong operational performance in the first half of fiscal 2015, including a 116.9% year-over-year increase in operating cash flow to \$385.63 million, could allow this streak to continue for the next several years.

3. WSP Global Inc.

WSP Global Inc. ([TSX:WSP](#)) is one of the world's leading professional services firms, providing engineering and design services to numerous industries.

At today's levels, its stock trades at 21.4 times fiscal 2015's estimated earnings per share of \$2.17 and 16.9 times fiscal 2016's estimated earnings per share of \$2.75, both of which are inexpensive compared with its trailing 12-month price-to-earnings multiple of 26.7.

In addition, WSP pays a quarterly dividend of \$0.375 per share, or \$1.50 per share annually, giving its stock a 3.2% yield. It is also worth noting that the company has maintained this quarterly rate for the last several years, but its increased amount of funds from operations, including a 117.7% year-over-year increase to \$140.2 million in the first half of fiscal 2015, could allow for a bump in the very near future.

Should you buy one of these mid-caps today?

Gibson Energy, WestJet Airlines, and WSP Global are three of the top mid-cap investment options in the market today. Foolish investors should strongly consider establishing positions in one or more of them.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:GEI (Gibson Energy Inc.)

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