



3 Bargain Stocks You Can Buy Today

Description

As many investors have realized, it can be very difficult to find the right stock at the right price when you are ready to make a purchase. Well, to make things easier, I have compiled a list of three stocks that are trading at inexpensive forward valuations compared with their five-year and industry averages, so let's take a closer look at each to determine which would be the best fit for your portfolio.

1. Aecon Group Inc.

Aecon Group Inc. ([TSX:ARE](#)) is one of Canada's largest construction and infrastructure development companies.

At today's levels, its stock trades at just 17.9 times fiscal 2015's estimated earnings per share of \$0.79 and only 14.2 times fiscal 2016's estimated earnings per share of \$1.00, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 37.9 and its industry average multiple of 24.2.

I think Aecon Group's stock could consistently trade at a fair multiple of at least 18, which would place its shares around \$18 by the conclusion of fiscal 2016, representing upside of more than 27% from today's levels.

Also, the company pays a quarterly dividend of \$0.10 per share, or \$0.40 per share annually, giving its stock a 2.8% yield.

2. Thomson Reuters Corp.

Thomson Reuters Corp. ([TSX:TRI](#))(NYSE:TRI) is the world's leading source of intelligent information for businesses and professionals.

At today's levels, its stock trades at just 19.4 times fiscal 2015's estimated earnings per share of \$2.06 and only 17.4 times fiscal 2016's estimated earnings per share of \$2.30, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 43 and its industry average multiple of 21.2.

I think Thomson Reuters' stock could consistently trade at a fair multiple of at least 20, which would place its shares around \$46 by the conclusion of fiscal 2016, representing upside of more than 14% from today's levels.

In addition, the company pays a quarterly dividend of \$0.335 per share, or \$1.34 per share annually, giving its stock a 3.35% yield.

3. Intact Financial Corporation

Intact Financial Corporation ([TSX:IFC](#)) is one of the leading providers of property and casualty insurance in Canada.

At today's levels, its stock trades at just 14.6 times fiscal 2015's estimated earnings per share of \$6.01 and only 13.3 times fiscal 2016's estimated earnings per share of \$6.61, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 15.6 and its industry average multiple of 18.2.

I think Intact's stock could consistently trade at a fair multiple of at least 16, which would place its shares upwards of \$105 by the conclusion of fiscal 2016, representing upside of more than 19% from current levels.

Also, the company pays a quarterly dividend of \$0.53 per share, or \$2.12 per share annually, giving its stock a 2.4% yield.

Which of these bargain stocks would fit best in your portfolio?

Aecon Group, Thomson Reuters, and Intact Financial are three of the top bargains in their respective industries, and all have the added benefit of dividends. Foolish investors should take a closer look and strongly consider establishing positions in one of them today.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:TRI (Thomson Reuters)
2. TSX:ARE (Aecon Group Inc.)
3. TSX:IFC (Intact Financial Corporation)
4. TSX:TRI (Thomson Reuters)

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Date

2025/08/22

Date Created

2015/11/27

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