



3 Great Stocks That Are on Sale Today

Description

One of the most difficult tasks we face as investors is finding the right stock at the right price when we are ready to make a purchase, especially in today's volatile times. To make things easier for you, I scoured the market and found three undervalued stocks from different industries, so let's take a quick look at each to determine which would fit best in your portfolio.

1. Intact Financial Corporation

Intact Financial Corporation ([TSX:IFC](#)) is the leading provider of property and casualty insurance in Canada, and it is the company behind the Intact Insurance, belairdirect, and BrokerLink brands.

At today's levels, its stock trades at just 14.5 times fiscal 2015's estimated earnings per share of \$6.01 and only 13.2 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 15.7 and its industry average multiple of 17.4.

With the multiples above and its estimated 11.5% long-term earnings growth rate in mind, I think Intact's stock could consistently command a fair multiple of at least 16, which would place its shares upwards of \$105 by the conclusion of fiscal 2016, representing upside of over 20% from current levels.

In addition, the company pays a quarterly dividend of \$0.53 per share, or \$2.12 per share annually, which gives its stock a 2.4% yield. Investors should also note that it has raised its annual dividend payment for 10 consecutive years.

2. Shaw Communications Inc.

Shaw Communications Inc. ([TSX:SJR.B](#))([NYSE:SJR](#)) is one of the largest communication and media companies in Canada, serving approximately 3.2 million customers.

At today's levels, its stock trades at just 13.6 times fiscal 2016's estimated earnings per share of \$1.75 and only 13.4 times fiscal 2017's estimated earnings per share of \$1.77, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 15.8 and its industry average multiple

of 25.7.

With the multiples above and its pending acquisition of Wind Mobile Corp. in mind, I think Shaw's stock could consistently command a fair multiple of at least 18, which would place its shares upwards of \$31 by the conclusion of fiscal 2017, representing upside of over 30% from current levels.

Additionally, Shaw pays a monthly dividend of \$0.09875, or \$1.185 per share annually, which gives its stock a 5% yield. Investors must also note that it has raised its annual dividend payment for 12 consecutive years.

3. Stantec Inc.

Stantec Inc. ([TSX:STN](#))([NYSE:STN](#)) is one of the world's leading providers of comprehensive professional services in the area of infrastructure and facilities.

At today's levels, its stock trades at just 17.9 times fiscal 2015's estimated earnings per share of \$1.83 and only 15.5 times fiscal 2016's estimated earnings per share of \$2.11, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 59.8 and its industry average multiple of 24.

With the multiples above and its estimated 13.5% long-term earnings growth rate in mind, I think Stantec's stock could consistently command a fair multiple of about 20, which would place its shares upwards of \$42 by the conclusion of fiscal 2016, representing upside of over 28% from current levels.

In addition, the company pays a quarterly dividend of \$0.105 per share, or \$0.42 per share annually, which gives its stock a 1.3% yield. Investors should also note that it has raised its annual dividend payment for three consecutive years.

Which of these stocks should be on your buy list?

Intact Financial, Shaw Communications, and Stantec are three of the top value plays in their respective industries, and all have the added benefit of dividends that have been raised consistently. Foolish investors should take a closer look and consider buying shares of one of these stocks today.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. NYSE:STN (Stantec Inc.)
3. TSX:IFC (Intact Financial Corporation)
4. TSX:SJR.B (Shaw Communications)
5. TSX:STN (Stantec Inc.)

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