



The Best Value Stocks to Complement Growth Stocks

Description

With a slowing economy, investors have recently gravitated to growth stocks, as the receding of the tide will have less of an impact on many securities that are expanding at rates much higher than the averages. While many investors may do well over the long term, assuming they picked the correct growth stock, the truth is that there is going to be a lot more volatility and uncertainty than if they'd simply purchased value stocks or even lined themselves up to the indexes.

An example of an excellent value stock is **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)). At a current price of \$99 per share, BMO offers investors a dividend yield close to 3.6% as earnings continue to increase in incremental amounts almost every year.

Given the already large footprint of the company, investors will experience revenue and profit increases from the company as the population grows or when the company expands outside Canada. Although this is happening at a very slow rate, the reality is that there is very little expansion happening outside the country.

After considering Canadian financials, which have enjoyed an incredible run in the past decade, investors will want to give shares of **Canadian Pacific Railway Limited** ([TSX:CP](#))([NYSE:CP](#)) a very good look. The company recently reported earnings and saw shares hit a new 52-week high. At a current price of \$225 per share, investors will receive a dividend of 1% with the real potential coming in the form of capital appreciation.

The catalyst for investors came as the company recently announced quarterly earnings, and volume for the railroad increased as a result of an increase in the amount of oil being transported by rail. Although these volumes account for only a small amount of the company's total revenues, it says a lot about the health of the total economy and the demand that may be around the corner.

The last name to consider is **North West Company Inc.** ([TSX:NWC](#)). At a price slightly above \$30 per share, North West pays a dividend of 4.25% and offers investors a place to park their money with a very low amount of risk and reward. The company, which operates grocery stores in remote parts of the country and Alaska, recently completed a small acquisition in South America and is primed to

continue delivering for investors.

Currently, the company's beta is 0.04, which indicates an extremely low level of volatility for shareholders of the grocery retailer. If everything goes according to plan, a small dividend increase will follow in the year to come.

With many names to choose from, investors have a lot of opportunities to balance their portfolios with incredible growth stocks and wonderful dividend-paying gems, which stand to increase payments year after year.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:CP (Canadian Pacific Railway)
3. TSX:BMO (Bank Of Montreal)
4. TSX:CP (Canadian Pacific Railway)
5. TSX:NWC (The North West Company Inc.)

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