



3 Stocks to Watch in the Media & Entertainment Industry

Description

Media and entertainment stocks are very popular with investors today, because their brands are highly recognizable, because it is easy to understand their business models, and because they are considered to be less risky than stocks in other industries, like energy and mining. With this in mind, let's take a closer look at three media stocks, so you can decide which would be the best fit for your portfolio.

1. Quebecor, Inc.

Quebecor, Inc. ([TSX:QBR.B](#)) is a Canadian leader in telecommunications, news media, and entertainment, and it is home to the largest French language television network in North America.

At today's levels, its stock trades at just 15.3 times fiscal 2015's estimated earnings per share of \$1.87 and only 13.4 times fiscal 2016's estimated earnings per share of \$2.13, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 32.7 and its sub-industry average multiple of 18.5.

In addition, Quebecor pays a quarterly dividend of \$0.035 per share, or \$0.14 per share annually, giving its stock a 0.5% yield.

2. Transcontinental Inc.

Transcontinental Inc. ([TSX:TCL.A](#)) is Canada's largest provider of printing services and proximity media solutions.

At current levels, its stock trades at just 8.1 times fiscal 2015's estimated earnings per share of \$2.36 and only 7.9 times fiscal 2016's estimated earnings per share of \$2.42, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 34.5 and its sub-industry average multiple of 28.9.

Also, Transcontinental pays a quarterly dividend of \$0.17 per share, or \$0.68 per share annually, which gives its stock a 3.6% yield.

3. Corus Entertainment Inc.

Corus Entertainment Inc. ([TSX:CJR.B](#)) is one of the largest integrated media and entertainment companies in Canada, with 22 specialty and pay television services, three conventional television stations, and 39 radio stations.

At today's levels, its stock trades at just 8.8 times fiscal 2015's estimated earnings per share of \$1.60 and only 8.7 times fiscal 2016's estimated earnings per share of \$1.62, both of which are inexpensive compared with its five-year average price-to-earnings multiple of 14.3 and its sub-industry average multiple of 20.8.

Additionally, Corus pays a monthly dividend of \$0.095 per share, or \$1.14 per share annually, giving its stock an 8.1% yield.

Which of these stocks should you buy?

Quebecor, Transcontinental, and Corus are three of the most attractive investment options in the media and entertainment industry. Foolish investors should strongly consider beginning to scale in to long-term positions in one of them today.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:CJR.B (Corus Entertainment Inc.)
2. TSX:QBR.B (Quebecor Inc.)
3. TSX:TCL.A (Transcontinental Inc.)

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