



## TSX Investors: Emmy-Nominated Stocks to Buy in 2019

### Description

Entertainment companies are notorious for being cash burns, and **Toronto Stock Exchange** gems like **Cineplex** ([TSX:CGX](#)) and **Corus Entertainment** ([TSX:CJR.B](#)) are no different. Nevertheless, this year is proving to be an exciting time for the Canadian media as the Emmy Awards approach.

While the entertainment industry is not known as a moneymaker, media services like **Netflix** can surge in price in response to award nomination despite rising debt levels.

Popular Canadian documentaries may leave September's Emmy Award ceremony with wins this year. The Emmy Awards will broadcast on September 14, 2019, at 8:00 PM EDT.

The moving 2019 Canadian documentary, *Leaving Neverland*, was nominated for five Emmy Awards this year. The film told the story of two men and their experiences with Michael Jackson, a famous and troubled pop star in the 1980s.

Canada may be rejoicing two other Emmy Awards for *The Inventor: Out for Blood in Silicon Valley* and *Divide and Conquer: The Story of Roger Ailes*. These documentaries aired internationally on HBO, among other popular channels.

**TSX** investors interested in sharing in the Emmy excitement this year should consider purchasing shares of Corus Entertainment and keep a safe distance from Cineplex, which has been a steady loser the past year.

### Cineplex loses 35.6% in one year

Cineplex operates 162 [premier theatres](#) across Canada, employing approximately 13,000 people in Canada and the United States. If last year's losses are any indication, the company may not be the best buy.

Cineplex debt exploded to four times last year's level, meaning that there may be further stock declines ahead as investors question the profitability of the stock.

Cineplex offers the highest dividend at \$0.15 per share and an impressive yearly yield of 7.4%. Unfortunately, the stock has lost almost 36% of its value in the past 12 months, resulting in overall negative returns for shareholders.

Also, at the current price of \$23.60, the stock is still expensive, with earnings making up only 3.6% of the market value. On average, the entertainment industry earns approximately 8.5% of the stock's price.

## Corus Entertainment offers the most value

Corus Entertainment produces and distributes films, television programs, radio, and books. The media giant boasts an impressive brand portfolio composed of the Oprah Winfrey Network Canada, HGTV Canada, Food Network Canada, History Channel, National Geographic, Disney Channel Canada, and Nickelodeon Canada.

Earlier this year, Corus Entertainment celebrated nine Daytime Emmy Award Nominations for kids' animated content, including "Esme & Roy"; "Miss Persona"; and "Hotel Transylvania: The Series."

In total, Nelvana celebrates more than seven Emmy Award wins and is well known for its pre-school television shows, including "Backyardigans" and "Bubble Guppies."

This entertainment stock may be the best buy in the industry. At the current stock price of \$5.53, shareholders can expect a [dividend yield](#) of 8.3%. The company has also reduced its debt to 91% of its level witnessed one year ago.

## Foolish takeaway

Entertainment is an investment for those who appreciate the arts. The industry is not known for being particularly profitable, and award ceremonies recognize successful projects rather than increasing cash flows.

Entertainment stocks are risky investments that shouldn't be entered into lightly. For investors interested in supporting the arts, Corus Entertainment offers the best value and the least risk.

At such a low stock price, buying 100 shares at over 8% interest per year is a great way for long-term savers to generate passive income.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:CGX (Cineplex Inc.)

2. TSX:CJR.B (Corus Entertainment Inc.)

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