



This Stock Could Be the Best Bargain on the TSX Today

Description

Corus Entertainment ([TSX:CJR.B](#)) is coming off a [very good quarter](#), which it released a month ago. However, the stock has been in a bit of a free fall after **Shaw Communications**, a major shareholder, announced that it would be selling its stake in the company to help fund its own growth objectives.

Up until then, Corus stock was rallying and had made it to over \$8 a share. And now with the stock nowhere near that mark, it could be an appealing opportunity for investors to buy today.

Why Corus is a great value buy

Trading nowhere near its book value, Corus is a heavily discounted stock that has tremendous value. While it has seen some bearish activity surrounding concerns of whether advertisers will move away to online mediums, the company showed some modest growth of around 4% in its most recent quarter.

And with the company back to posting a profit for the past four quarters, it has shown a lot more stability lately. Investors aren't paying much of a premium for that profit, either, as the stock trades at just seven times its earnings.

Corus is just a shadow of itself today, losing 60% of its value over the past two years. And although it may not get back to its previous valuation, there is still a lot of room for the stock to grow now that it looks like things have stabilized for Corus. Unfortunately, the downward momentum in the stock recently has helped continue to push the share price even lower in value.

The company needs something to help turn things around and to get investors excited about the stock again. When that happens, the share price could take off in a hurry. There's also the possibility that value-oriented investors give the share price some life and invest in the stock given the very attractive multiples that it trades at today.

Great option for dividend investors too

One of the benefits of a falling stock price is that for dividend stocks, it means a higher yield. Although since [reducing its payouts](#), Corus's dividend may not be as high as it was before, the yield is a lot safer today, as the company is now a much stronger financial position.

However, Corus still pays a very good dividend, which is now yielding around 4.3%. If the company can continue producing strong results, I wouldn't be surprised if Corus decided to try and build its dividend payments again. And so there could be a lot of potential here for dividend investors to grab this stock at a low, since it could be a great way to generate recurring income while also taking advantage of an undervalued stock.

Bottom line

Corus is a great value buy, and the company still has a lot of promise. After partnering with **Amazon** and offering online service STACKTV to customers, it's clear that the company is just scratching the surface in terms of the potential growth that it can offer investors over the long term.

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Date

2025/08/25

Date Created

2019/07/28

Author

djagielski

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