# Double Your TFSA (or More) With This Stock

## Description

To double your money over the quickest time possible, you can either gamble your money by playing the game of greater fools (based on the Greater Fool Theory, and no, it has nothing to do with The Motley Fool!), or you can invest in deep-value stocks that are so mispriced that they could allow for substantial capital gains in the event of an upside correction.



Can you double your money with deep-value stocks?

You can, but there's a caveat. Deep-value investing is hard if you don't have the right mindset and the conviction to stand by your investment through tough times.

Extremely battered stocks that have already lost over 50% of their value are prime candidates for deep-value investors who know how to spot the difference between a deep-value stock and a potential value trap. Such beaten-up stocks have plunged big time in the past and could continue to exhibit massive volatility in either direction.

For those investors who've done the homework and have stomachs of steel, there are massive rewards to be had. But, of course, you're likely to face more prolonged pain over the near to medium term before you enjoy the significant rewards that result in an upwards correction.

Have a look at Prem Watsa's recent deep-value bets in **Stelco** and **BlackBerry**, and you'll see that he's stuck to his bets, despite looking foolish through the eyes of those who judge him for his holdings that have gone sidelines.

If you're willing to look foolish today with the hopes of looking like a genius in a year (or a few years) from now, consider **Corus Entertainment** (TSX:CJR.B), a deep-value stock that's been in free fall for around five years now. The stock is currently off 78% from its high, and I think it's finally bottomed.

Chasing a bottom in a stock that's facing secular headwinds is very difficult. Those who saw Corus stock bottoming in 2017 got burned with another 75% plunge after the stock had already shed half ofits value. So, just because a stock has fallen by X% doesn't mean it can't drop by an even greateramount after you've purchased shares.

With that word of warning out for the way, I see Corus as a severely undervalued speculative play that may be worth double of what it's currently worth today (shares now trade at $5.75).

Why do I think the value trap has suddenly become a deep-value bet?

The stock trades at an absurd 2.6 times EV/EBITDA, 0.76 times book, 0.72 times sales, and 3.55 times cash flow, all of which are rock-bottom multiples. Moreover, Corus noted in its presentation that advertising dollars are shifting back to television from digital — a trend that bodes well for the company that's since embraced new tech initiatives.

Moreover, Corus still generates ample free cash flow, while net debt levels continue to fall. At this pace, I don't see the stock staying at these depths for very long, especially if management finds a way to get the ship back in the right direction through the use of digital initiatives.

The stock has become far too cheap and is deserving of a correction to the upside. If you're no stranger to volatility, load up on the cash cow, and you may find yourself thanking me later.



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

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