



This Stock Is Now the Cheapest Company on the TSX

Description

As every investment expert will tell you, when markets crash there may be no better time to buy stocks, as it likely presents the best chance to buy companies as undervalued as possible until the next time the market cycles.

Deciding which stocks to buy can be difficult, especially when you consider that as the whole market sells off, numerous companies are becoming attractive, so picking the best of the best can be difficult.

It's important to always remember to find companies with the best long-term potential, solid operations, a competitive advantage and a strong management team.

Although it makes sense to want to try and buy the absolute cheapest stocks trading at the biggest discount, investors are cautioned to consider the best companies first, even if the discount in the share price isn't as strong.

Over the long run, the best companies will outperform their underachieving peers, so even if you have to pay a little more for a high-quality stock today, over the course of your investment in that company, the performance it provides you should outweigh that of the other company even when you include the discount in the initial purchase price.

The top opportunity to invest in today, that has gotten even more attractive since the start of the market sell-off is **Corus Entertainment Inc** ([TSX:CJR.B](#)).

Corus, prior to this market sell-off was already one of the most attractive stocks on the **TSX**, but after falling another roughly 15% in the last month, the stock is now extremely undervalued.

The company was most recently sold off back in 2017, as its debt load had become a major problem for the company and with slowing advertising sales, the company was forced to trim the dividend.

Fast forward roughly two and a half years and the company has done a brilliant job of transitioning and turning itself around in addition to getting a natural boost from growing T.V advertising dollars.

For a while advertising money was going to other forms of media; however, it's been proven that T.V. audiences give advertisers some of the best audience targeting out of any form of media, especially in Corus' case due to all of its specialty channels catering to a niche market.

It was also paramount that Corus not only revamped its operations, but significantly reduced its debt load in order to give itself some more financial flexibility.

Corus has done an incredible job, repaying roughly \$250 million of debt in fiscal 2019 alone; it now has net debt to segment profit of just 2.8 times.

The turnaround the company has been executing has left it in a much stronger position — and capable of garnering more investor interest and a much higher share price once the market takes notice.

Analysts have an average one year price target of \$8.75 — a more than 100% increase from today's prices, so it's clear the stock is [extremely undervalued](#).

Plus, the company trades at just a 0.5 times price to book ratio and pays a dividend that's yielding roughly 5.7%.

The dividend is a nice bonus for investors to receive while they hold the stock.

However, an investment in Corus is more for the capital gains potential today, so grab some exposure soon because this is one of the top stocks on the TSX and its discount won't last.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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

PARTNER-FEEDS

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