



## Corus Entertainment (TSX:CJR.B) Stock: Should You Buy Today?

### Description

The COVID-19 pandemic has been a game changer in the entertainment sector. Industries that were on the decline, like the traditional cinema, have seen negative trends accelerate due to the pandemic. But streaming services like **Netflix** have entered a new golden age. People are home and hungry for content. Where does this leave **Corus Entertainment** ([TSX:CJR.B](#))?

### Why Corus Entertainment stock has struggled

Shares of Corus have dropped 36% year over year as of close on June 5. Corus Entertainment is a Toronto-based media and content company that operates specialty and conventional television networks as well as radio stations in Canada and around the world. Some of its most well-known stations include the Global Television Network, the Cartoon Network, YTV, and Nickelodeon brands.

Corus has a dominant foothold in traditional television, but this space is under attack by new media. Because of this, investors have lost a lot of faith in so-called legacy media. **Cineplex**, which boasts a monopoly on movie theatres in Canada, has seen its stock throttled over the past several years. The COVID-19 pandemic threatens to deal a [severe blow to the industry](#).

Fortunately, Corus Entertainment has sought to remould its business in response to new trends. Traditional media companies, like brick-and-mortar retailers, are going to need to move into the digital space in order to survive going forward. Companies like **WildBrain** re-brand on the back of their streaming offerings.

### What has changed in 2020?

When this year started, I'd discussed how Canadians could [invest in streaming services](#). Canada does not boast streaming behemoths like Netflix, **Disney**, or **Amazon**, but it does have some exciting new companies that are growing in this space. In March, Corus Entertainment unveiled the Global TV App.

The all-in-one streaming experience will deliver Canadians access to the nation's top networks. It has

added full seasons and live streams with content from the Food Network Canada, W Network, HISTORY, Slice, and HGTV. This is also the first Canadian streaming product to provide free, 24/7 access to local and national news feeds.

Corus Entertainment released its second-quarter fiscal 2020 results on April 1. Adjusted net income climbed to \$105 million compared to \$85.8 million in the prior year. Investors will need to wait for its next quarterly report to see the impacts of the pandemic on its bottom line. News media consumption has erupted in Canada and the United States during the crisis. Global recently revealed that its Spring Series achieved record ratings on the back of programs like *Survivor* and *9-1-1*.

## Verdict

Shares of Corus Entertainment had climbed 17% week over week as of close on June 5. The stock is now trading in the middle of its 52-week range. Corus stock last had a very favourable price-to-earnings ratio of 4.3 and a price-to-book value of 0.4. However, the company has elected to defer the decision on the declaration of its dividend to June 9. This means investors can expect some clarity on this subject very soon.

Corus has taken a beating in recent years, but its push into streaming holds promise. The stock looks like it still has room to run and possibly challenge 52-week highs in 2020.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

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

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

### Category

1. Dividend Stocks
2. Investing

### Date

2025/08/23

### Date Created

2020/06/08

### Author

aocallaghan

default watermark