Got $1,000? Buy This Top Canadian Stock Before it's Too Late!

Description

After a year of stocks and the economy as a whole recovering, there aren't too many opportunities left for investors in the current market environment. There is one top Canadian stock to buy, though, if you have money to invest today.

It's important as investors that we look forward to life after the pandemic. However, at the same time, it's crucial that we recognize the risks and uncertainties that continue to persist.

This way, we can balance the growth we are looking to achieve over the next few years with the defence and resiliency we want our portfolios to have today.

So, with that in mind, if you have cash you're looking to invest today, here's one of the few top Canadian stocks to buy now.

A top Canadian stock to buy while it's cheap

There's no question that one of the cheapest stocks on the market right now is **Corus Entertainment** (TSX:CJR.B). Corus is a stock that was impacted by the pandemic. However, it's also a stock that's been recovering well.

So, the fact that this Canadian stock continues to trade undervalued makes it one of the top companies to buy today.

Corus is predominantly a TV media stock. The company makes the majority of its money through advertising on its channels, subscriptions to its streaming platforms, and sales from its content-creation business.

The majority of its revenue, though, continues to come from advertisers looking to run commercials on TV. This is revenue that was significantly impacted at the start of the pandemic. However, it's also revenue that has recovered faster than many analysts expected it to.

This rapid recovery in sales, combined with Corus's prudent cost management through the pandemic, has ensured that the company has stayed robust.

Despite this significant impact on revenue, the company continued to earn strong free cash flow and pay down debt, showing it's a top stock worthy of a buy in this environment.

But with a trailing and forward price-to-earnings ratio of just 6.5 times, you may be wondering why exactly this stock is so undervalued today.

Is Corus worth a buy at this price?

Although sometimes a stock with a valuation this attractive can be a red flag, as it could indicate a value trap, Corus has consistently proven that it's one of the top Canadian stocks to buy.

One of the main reasons it's still seeing hesitancy from investors is because it was not long ago that the company had a major debt problem to deal with.

Corus addressed this well, though. And in the last few years, including during the pandemic, the company has made significant progress in getting its debt to a more manageable level.

The stock is in a much better position today, with net debt to EBITDA now standing at just 2.8 times.

So, with its business recovering well, and the company in a much better financial position, the fact that it trades so cheap has clearly made it one of the top Canadian stocks to buy now.

As I'd mentioned before, the stock is trading at just a 6.5 times multiple of what analysts expect it to earn this year in net income. Furthermore, its price-to-book ratio is just 1.2 times, and its forward enterprise value to EBITDA is just 5.5 times.

This makes Corus one of the cheapest, if not *the* cheapest, stocks in Canada. And on top of everything else, it pays a significant dividend, which currently yields 4%.

So, if you've got cash you're looking to invest today, in my view, Corus Entertainment is the top Canadian stock to buy. I'd be looking to pull the trigger soon, though. I can't see this top Canadian value stock staying this cheap for much longer.

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