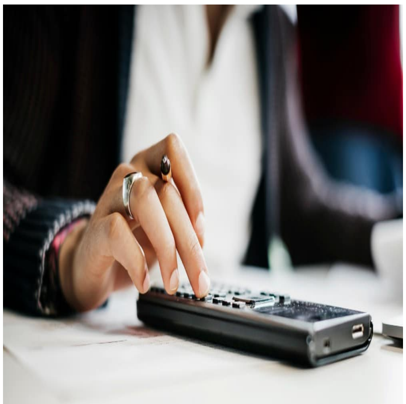

Down by 18%: Is Corus Entertainment (TSX:CJR.B) Stock Worth Buying Right Now?

Description

Rising inflation rates, interest rate hikes, and increasing geopolitical tensions have led to weakness in equity markets. The **S&P/TSX Composite Index** fell by 10.81% between March 29 and May 12, 2022. While the Canadian benchmark index has recovered by 4.23% between May 12 and May 26, 2022, many stocks continue to sell off.

A market environment like this creates many opportunities for investors to find and invest in undervalued stocks. Not all stocks trading cheap are good value bets for you to consider. It is crucial to ensure that whatever stocks you add to your investment portfolio to capitalize on their eventual recovery offer you some of the best value on the stock market.

Value-seeking investors can find a tonne of high-quality stocks that offer excellent value. Today, I will discuss **Corus Entertainment** (TSX:CJR.B) if you are looking for value stocks to add to your investment portfolio.

A well-positioned company trading for a discount

Corus Entertainment stock trades for $4.34 per share at writing, representing a massive 83.41% decline from its all-time high valuation in March 2013. Corus stock is not an excellent value stock to consider just because it is trading for a substantial discount from its highest point. The company is also enjoying a much better performance than in the last several years.

Corus stock has been cheap for a long time, but its recent decline has brought it down to ridiculously attractive valuations. The Toronto-based $886.42 million capitalization media company owns and operates TV and media assets.

Investors have been worried about a slowdown in its sales, but those fears have not yet materialized. The company's debt burden is another major issue investors have had over the years.

Corus has been a stock that offers great value for years considering its historical performance on the **TSX**. However, the recent selloff has led to such a drastic decline in its valuation that it would be unwise to ignore it as one of the best value stocks available in the Canadian equity markets today.

The numbers speak for themselves

The deflated share prices are not the only reason it could be seen as an attractively priced stock. Several valuation metrics show that Corus Entertainment stock trades for far less than it could be worth, making it a potentially excellent value bet for you to consider.

Corus stock boasts a forward price-to-earnings ratio of 4.86, a substantial decline from its five-year average P/E ratio of 6.7. The primary reason for its cheaper valuation in the last few years has been the company's debt load. Corus has managed to reduce the debt by a substantial margin in recent years.

Corus stock boasts an enterprise value-to-EBITDA ratio of just 1.99, indicating that it is quite cheap today.

Foolish takeaway

Corus Entertainment stock is not just trading for the cheapest it has been in several years. The media company currently enjoys one of the best financial positions it has seen for years. If you want to invest in stock that offers a tonne of value as a long-term investment for capital growth, Corus Entertainment stock could be an ideal asset to add to your investment portfolio.

CATEGORY

1. Investing

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