



Corus (TSX:CJR.B): This Dividend Stock Is Dirt Cheap With a 6.7% Yield

Description

Corus Entertainment ([TSX:CJR.B](#)) is a Toronto-based media and content company that operates specialty and conventional television networks and radio stations for domestic and international markets. The COVID-19 pandemic presented a huge challenge for legacy media organizations. Today, I want to discuss why this [dividend stock](#) is worth your attention in the middle of the summer. Let's jump in.

How has this dividend stock performed so far in 2022?

Shares of this dividend stock have dropped 26% in 2022 as of close on July 18. The stock has plunged 37% in the year-over-year period. Corus had rebounded along with the broader Canadian market in 2021. However, that momentum has stalled in the face of major volatility this year. Fortunately, Corus's businesses should not be exposed to major risks associated with high inflation and rising interest rates.

Here's why I'm excited about Corus going forward

The legacy media has been bashed by experts and analysts in recent years. This was intensified during the COVID-19 pandemic, as the popularity of streaming platforms boomed. However, there are strong signs that the market has become oversaturated. The death of conventional cable may have been exaggerated. Nonetheless, Corus has managed to position itself well with its own streaming service.

Investors should be encouraged by Corus's exposure to children's media content. Indeed, this has proven robust in the face of streaming growth.

This company released its third-quarter fiscal 2022 earnings on June 29. It delivered consolidated revenue growth of 8% year over year to \$433 million. Moreover, consolidated revenues posted 6% growth in the year-to-date period. Meanwhile, Corus reported a decline in cash flow that it attributed to a decline in cash provided by operating activities.

On the operational side, Corus announced its largest United States output deal ever with the streaming platform Hulu. Meanwhile, the company announced more than 200 hours of Canadian original content planned for the 2022/2023 television schedule. It continues to offer popular titles like *Island of Bryan*, *Scott's Vacation House Rules*, as well as new offerings like *Pamela's Garden of Eden* and *Renovation Resort*.

The company also provided an update on the impacts of the COVID-19 pandemic. Provinces and territories moved to lift most restrictions, which allowed a phased return to on-site work across its sectors. The pandemic caused major disruptions for television productions around the world in 2020 and 2021. On the economic front, management warned that broader economic uncertainty could impact business investment going forward.

Corus: Two reasons to snatch up this dividend stock today

Shares of Corus currently possess a price-to-earnings ratio of 5.2. That puts this dividend stock in very attractive value territory at the time of this writing. Moreover, the stock has neared technically oversold territory with an RSI that has hovered below the 40 mark for most of July.

This dividend stock currently offers a quarterly distribution of \$0.06 per share. That represents a tasty 6.7% yield. Corus's business looks strong as we look ahead to fiscal 2023. Better yet, the stock offers solid value and a very attractive dividend.

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