



Why BCE Inc. Is the Ultimate Forever Investment

Description

Selecting the right type of investment takes time and patience. Of all of the different types of investments to make, one of my favourites is the forever stock. These are the investments that you make and hold for years—sometimes forever. The growth and dividends in particular that forever stocks can provide over time can compound into a truly massive part of the overall portfolio.

BCE Inc. ([TSX:BCE](#))([NYSE:BCE](#)) is one of the best forever stocks on the market. If you aren't invested in BCE yet, you really should start buying into the stock.

BCE has been paying dividends for more than 135 years

One of the main factors of any forever stock is the dividend the company pays. In the case of BCE, the company pays out a quarterly dividend of \$0.68 per share, representing a very impressive yield of 4.6%.

Even better, BCE has been paying out those great dividends for over 135 years, and the company has raised the dividend payout over the years to the delight of shareholders.

The current stock price trades at just shy of \$60. Year-to-date, BCE is up by an impressive 10.91%, and expanding this timeline out to a full year shows the stock up by 11%. Long-term investors can rejoice at the impressive 55% increase over the past five years and the 125% increase in the past decade.

BCE has a well-established moat

One of the reasons why BCE can afford to pay out such a high dividend is because the company has already built the massive infrastructure required to provide the core wireless, landline, TV, and internet services from coast to coast.

For a new competitor to emerge and dethrone BCE, it would cost tens of billions in terms of infrastructure development and take several years, if not more. As new technologies or upgrades are required, the company can leverage that existing infrastructure and make upgrades, again at a fraction

of the cost of building out a new network from scratch.

As impressive as the moat is that surrounds BCE's core products is, the company has a number of other revenue-generating ventures that further solidify why this company should be in your portfolio.

BCE may be most renowned for providing wireless, internet, and TV services, but the company has a vast media and communications empire that touches nearly every one of us at least a few times each day. BCE owns TV stations, radio stations, sports teams, and real estate all across the country that provide revenue to the company.

The company is not sitting on its laurels to watch revenues come in, but rather it's constantly looking for new revenue streams and ways to expand the current core business.

BCE recently announced the acquisition of **Manitoba Telecom Services Inc.** as part of a \$3.9 billion deal, which will vastly boost the company's footprint in Manitoba. Even better, once the deal is finalized and MTS is integrated into BCE's current service offerings, the company can realize a number of cost and tax savings that will push revenues, and by extension, that great dividend up even further.

In my opinion, there really are no better options on the market for long-term investors than BCE. The company has the growth, financial muscle, and dividends to make any portfolio shine over the long term.

CATEGORY

1. Dividend Stocks
2. Investing

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1. Editor's Choice

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