



## Does Your Portfolio Include BCE Inc.?

### Description

**BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)) can, without a doubt, be considered one of the best picks on the market for those investors that are looking for income.

If your portfolio doesn't already contain this media behemoth, you may want to consider adding the company, and there's no shortage of reasons why BCE is a great option.

#### The defensive moat

Finding a defensive investment is always a plus. Utilities are well known for their moats, as are railroads and some well-established financials.

BCE doesn't appear to fit into that same group, at least at first glance, until we start to consider the wide net that BCE draws around us.

BCE's core subscription services of internet, phone, and TV packages remain the primary revenue source for the company, but there are other, far-reaching sources of revenue that include a myriad of media outlets, real estate holdings, and professional sports teams.

We can't venture too far into our daily routines without using one or more BCE holdings, and few of us realize it.

My daily routine once consisted of watching a BCE-owned TV station in the morning, listening to a BCE-owned radio station during my drive, and passing through a BCE-owned property on my way into work.

#### BCE's infrastructure

Most telecoms have struggled with building a national network from coast to coast; they're forced to balance network construction costs with ever-expanding service. In short, as the needs of the network grow, so too do costs which need to be passed on to consumers or absorbed by the telecom.

In the case of BCE, that network is already built, providing a significant advantage over competitors. BCE can focus on improving service, growing the customer base, and rewarding shareholders.

### **BCE's dividend**

BCE is one of just a few companies on the market that has been paying dividends to investors for well over a century. While this is an impressive fact on its own, what really makes BCE's dividend shine is the impressive 4.81% yield and the fact that the company has steadily increased that dividend over the years.

On an annual basis, that dividend provides \$2.88 per share. This makes BCE the type of core investment you buy early and forget about for a decade or more, letting it grow.

### **What about results?**

BCE continues to provide strong results and show strong growth, despite the stereotype that it lacks growth. In the most recent quarter, BCE reported \$0.87 in adjusted earnings per share, beating the \$0.85 posted in the same quarter last year. That improvement is largely attributed to the growth of +7% in the wireless segment and in the media segment.

Average revenue per user saw an increase of 4.2% in the quarter, coming in at \$65.66. This figure is likely to continue increasing over the next few quarters, fueling further growth from the company. The acquisition of Manitoba Telecom Services will likely be the primary driver of that growth, as BCE inherits 229,000 internet, 109,000 IPTV, and 477,000 wireless subscribers and integrates them into (likely more expensive) BCE plans.

BCE is a great holding that should be core to every portfolio.

### **CATEGORY**

1. Investing

### **TICKERS GLOBAL**

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)

### **PARTNER-FEEDS**

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1. Investing

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