



## This Is the 1 Telecom Your Portfolio Needs

### Description

Telecoms makes for some of the best investment options to put in any portfolio, and fortunately for investors, Canada is blessed with four telecoms that can offer both growth and income potential that can span decades.

Those telecoms are so similar, in fact, that they are often a [topic of comparison](#) to determine which is the better investment.

Canada's largest telecom is **BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)), and it currently poses one of the biggest opportunities for investors.

### Four reasons to like BCE

While there are many reasons to contemplate an investment in BCE, there are four reasons that investors continue to turn back to the telecom giant.

First, BCE has a massive moat. Few people realize just how extensive BCE's empire is. Beyond the core subscription services that BCE offers, like any other telecom, BCE has a sizable empire of media holdings. It includes several radio and TV stations, and it maintains an interest in professional sports teams. This creates a blanket over the country, which means that few of us can go through an entire day without using at least one aspect of BCE.

Furthermore, that moat is only set to expand in the coming years, as the full potential of the MTS acquisition, as well as prospective growth from the AlarmForce acquisition last year, continues to unfold.

Second, BCE has an impressive infrastructure that spans from coast to coast, which makes the company the envy of telecoms around the world. Keep in mind that the infrastructure is incredibly expensive to build, but once it is complete, it can reap significant savings and rewarding prospects for the company and shareholders.

While there are concerns about upgrading that network, particularly with the advent of 5G connections

and concerns relating to rising interest rates, BCE has shown it's agile enough to weather those challenges while rewarding shareholders.

That reward comes in the form of an impressive dividend, which is the third reason to consider BCE.

BCE is one of just a handful of companies that has been rewarding shareholders for well over a century, and that trend seems unlikely to end anytime soon. The current quarterly dividend provides a very appetizing 5.53% yield that is both stable and growing.

Finally, taking a detailed look at BCE's most recent quarterly results exposes a fourth reason for investors to consider.

In the most recent quarter, BCE reported net earnings of \$709 million, representing an increase of 3.1% over the same period last year. Cash flow from operations witnessed a gain of 13.9% to \$1,496 million, while free cash flow growth came in at 9.8%.

Wireless postpaid net additions of 68647 surged 91.4% in the quarter, helping drive revenue higher by 10.1%. This is particularly interesting, as wireless devices continue to integrate more into our daily lives, moving from a communications accessory to a must-have device that has replaced hundreds of other single-purpose devices.

### Final thoughts

If there were ever an opportune moment to seize, it would be while BCE's stock price is down. Year to date, the stock has taken a hit of over 5%, which makes BCE a discounted stock. It could be time to get greedy.

In my opinion, BCE remains an [intriguing offer](#) to add to any portfolio.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

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

### PARTNER-FEEDS

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**Date**

2025/07/27

**Date Created**

2018/06/04

**Author**

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