



Why Canada's Fastest ISP Belongs in Your Dividend Portfolio

Description

Telecoms investors have a juicy bit of news to chew over at the moment, as *PC Magazine* recently voted Bell Canada the country's fastest major ISP in its Fastest ISPs of 2019: Canada report. The east coast lucked out in particular, with Bell Aliant having the best overall internet speed, according to the report, which was based on 40,000 speed tests of Canadian internet service providers (ISPs) over the past 12 months.

Investing in the market leader is a strong move

What report's findings means for investors is that **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is currently the dominant stock in the telecom space. The ongoing struggle for the top spot between BCE and **Rogers Communications** is currently being won by the Bell companies umbrella, making the former stock the one to buy and hold. While it may not be the absolute best value stock on the TSX, its yield and market share make it an unassailable cash cow.

A yield of 5.24% backed up by rising income and decent coverage make for an assured distribution, so lower-risk investors have a [high-margin stock with built-in peace of mind](#). The technically minded investor will also no doubt be interested in BCE's investment in "fibre to the x," an initiative also known as last-mile telecommunications. This allows customers, be they domestic or commercial, to enjoy the best network tech straight to their doors.

A high-yielding dividend stud in a growth market

Fibre-to-home is going to continue to spread through Canada, giving BCE a steady source of assured revenue and making its market share even more secure. Add to this the fact that BCE pays the highest yield of the three market-leading telecoms companies in the country, and you have a compelling argument for holding this stock in a TFSA, RRSP, or other long-range portfolio.

Investors who may be worrying about the sustainability of BCE's commitment to growing its dividend payments year over year should take heart that the company is investing strategically in its own future

profitability. By focusing on its fibre optic network, the company is gearing up to be the market leader for 5G. By getting in ahead of the crowd, BCE is widening its moat and assuring a [lucrative and loyal source of income](#).

For investors unfamiliar with 5G, it's essentially the fifth generation of cellular broadband, bringing faster download and streaming speeds and potentially rewriting the mobile tech handbook. Since 5G will also drive down latency, the speed it takes to connect to a wireless network, this will enable the Internet of Things to come into its own, transforming business and communications.

The bottom line

The leading market share continues to be the single greatest reason that BCE is the right Canadian telecom stock for your dividend portfolio. Rising income would be the next biggest reason to buy, since it assures a reliable dividend. If you've been waiting on the sidelines for the right telecom stock to come along, high quality and a positive outlook round out the reasons to buy this low-maintenance Dividend Aristocrat.

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