



## TFSA Investors: Bell Canada (TSX:BCE) Stock Is Heating Up

### Description

**BCE** ([TSX:BCE](#))([NYSE:BCE](#)) stock has been steadily climbing since reporting Q2 earnings on Thursday.

Savvy investors have been watching telecommunications stocks moving into the 2020 5G rollout. The jump in market value was no surprise, and the upward trend should continue into next year.

During the earnings call, BCE made some game-changing announcements in its wireless and broadband internet businesses. Not only did the company announce impressive financial performance, but the company is also shaking up its leadership.

### Free cash flow soars on new wireless subscribers

The telecommunications stock reported a 6.8% increase in Q2 EBITDA, earnings before interest, taxes, depreciation, and amortization. Investors use EBITDA to compare company performance regardless of changes in tax and debt expenditures.

The company added 149,478 new wireless subscribers, a 30% increase that surpasses 2001's record-high Q2 performance. Bell's exclusive agreement with **Dollarama** to distribute Lucky Mobile paid off last quarter. The partnership drove a 92.6% year-over-year increase in new customers.

### Bell Canada's current CEO set to retire

George Cope, the current CEO of BCE and Bell Canada, will retire on January 5, 2020. Marko Bibic will transition into the role of president and CEO. Currently in the role of COO, Bibic has worked for the company since 2004.

Investors should feel secure in the knowledge that the leadership change will only bring more positive performance to the company. Bibic has worked across many roles in the company and will be well prepared to lead the company into the new era of 5G telecommunications in 2020.

## Faster service choices

Bell launched new data plans in preparation for the 5G rollout in 2020. The company now offers customers 10 and 20 GB high-speed data plans without additional fees for exceeding the usage allotment.

Notable tech magazines have been recognizing Bell's superior service. J.D. Power 2019 ranked Virgin Mobile, a Bell wireless brand, as the leader in wireless customer service. Moreover, PCMag named Bell Canada, the fastest broadband internet provider in Canada.

## Record sports viewers

As traditional television suffers a loss in viewership, Bell Media grew its consumer base across all platforms in Q2. The company reported 7.9 million viewers during the Toronto Raptors NBA championship. BCE co-owns the Toronto Raptors along with **Roger Communications** through Maple Leaf Sports & Entertainment.

## Streaming video expansion

The company's acquisition of network V will help the media company maintain this performance throughout 2020. [Network V](#) adds the specialty video-on-demand platform Noova.ca to Bell Media's portfolio.

Bell Media has experience developing top brand media streaming services. Crave.ca, a Bell company, attracted more Game of Thrones viewers last season than any other programming provider in Canada.

## Foolish takeaway

BCE is a [telecommunications powerhouse](#) and a top stock to buy for the 5G rollout. The window is quickly closing to profit from the technological progress of the Internet of Things (IoT).

TFSA and RRSP investors should promptly move to invest in BCE if it is not already in their portfolio. If the capital gains are not convincing enough, the quarterly dividend of \$0.7925 per share should be sufficient proof that BCE is an excellent investment.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

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

## **PARTNER-FEEDS**

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

## **Category**

1. Investing
2. Tech Stocks

## **Date**

2025/08/24

## **Date Created**

2019/08/04

## **Author**

debraray

default watermark

default watermark