



## Billionaire NBA Mogul Mark Cuban Is Moving to Cash in 2020

### Description

Billionaire Mark Cuban is losing tons of money due these days, especially his entertainment business. The team owner of the National Basketball Association (NBA) franchise Dallas Mavericks reveals he is now moving to the relative [safety net](#) of cash in the 2020 market crash.

According to Cuban, he will steer clear of stocks while the [investing climate](#) is sketchy. He sees commodities and real estate as his alternative investment options. However, he remains hopeful that amazing companies will emerge when the market rebounds in three to five years. He'll be ready with his cash to grab the opportunities.

### Dominant telecoms

For NBA fans in Canada, Toronto Raptors is their team. The professional basketball team from Toronto won their first-ever NBA crown in 2019 after 24 years in the league. Two of the better-performing **TSX** stocks are part owners of the defending champions.

**BCE** ([TSX:BCE](#))([NYSE:BCE](#)) and **Rogers Communications** ([TSX:RCI.B](#))([NYSE:RCI](#)) jointly own a 75% stake in Maple Leaf Sports and Entertainment (MLSE). The telco rivals bought into MLSE, the owner of the Raptors as well as the Toronto Maple Leafs in the National Hockey League.

### Formidable front-runner

BCE is one of the most sought after TSX blue-chip stocks. This \$51.13 billion company owns Bell Wireless, Bell Wireline, and Bell Media. The largest communications and media company is already setting its sights on the lifting of lockdown measures in the country.

Investors are happy with the giant telecom's Q1 2020 financial results despite the stock's underperformance this year. As of this writing, BCE is down by only 4.4% year to date. At \$56.54 per share, this telecom stock is offering a dividend yield of 5.93%.

The latest quarterly earnings report is proof that BCE remains financially stable. Adjusted EBITDA grew 1.4% versus the same period last year. Bell Wireless had a 4% growth while Bell Wireline posted 0.5%. Bell Media suffered due to the significant decline in advertising revenues.

Overall, BCE's net earnings were \$733 million. The company ended the quarter with \$1.4 billion of cash flows from operating activities and \$627 million in free cash flow.

## Active in sports

Apart from ownership in basketball and hockey teams, Rogers is the owner of the Toronto Blue Jays. The professional team is the lone Canadian franchise in Major League Baseball.

Rogers' Q1 2020 financial figures were not as impressive as BCE's. The third-largest telco in Canada saw its total revenue drop to \$3.4 billion or 4.8% lower compared with Q1 2019. Management attributes the decline to lower subscriber activity in the wireless equipment business.

The media business segment didn't perform well due to the suspension of all live professional sports broadcasting. Still, Rogers' liquidity position (\$3.8 billion) remains robust at the end of the quarter. Free cash flow grew by 14% to \$462 million.

As of this writing, Rogers' shares are losing by 11.4%, although the stock is doing slightly better than the general market whose year-to-date loss is 13.1%. This dividend payer is trading at \$56.68 per share and currently yielding 3.53%.

## Near-monopoly

Mark Cuban prefers to keep his cash to be on the safe side. But regular investors with long-term financial goals can also seek safety in a near-monopoly like Canada's telecom sector.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:RCI (Rogers Communications Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:RCI.B (Rogers Communications Inc.)

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**Date**

2025/08/22

**Date Created**

2020/05/13

**Author**

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