

The 5G Revolution: 3 Brilliant Ways to Profit!

Description

The 5G revolution is moving full steam ahead. **Rogers Communications Inc** (TSX:RCI.B)(NYSE:RCI) is already rolling out its 5G network in Vancouver and Toronto, and other Canadian telecommunication companies aren't far behind. Simultaneously, active 5G network subscriptions are growing worldwide. **Ericsson** recently projected that there would be 190 million active 5G network subscriptions by the end of this year, with many more to follow in subsequent years.

5G technology will revolutionize telecommunications. Providing faster mobile download speeds, it will make smartphones faster and easier to use than ever before. Investors who get in on this revolution early could reap considerable rewards.

The following are three ways to do just that.

Telecommunication stocks

Telecoms are the obvious place to start if you're considering investing in 5G. These companies supply cell service to customers and therefore stand to benefit directly by adopting the technology. Companies that win the race to 5G may gain subscribers over their competitors. Such stocks could rise if their competitive advantage translates into profit.

In Canada, the obvious 5G winner so far is Rogers. Having <u>partnered with Ericsson</u> early, it sidestepped the **Huawei** controversy that is now plaguing other telecoms. The U.S. is <u>currently pressuring its partners</u> to ban Huawei from their networks and is having some success in that enterprise.

Just recently, it was reported that the government pressured **Telus** to remove Huawei infrastructure from its existing networks. The company has since scrapped its plans to use Huawei for 5G, but is well behind as a result. As the company that rolled out 5G the fastest and avoided Huawei the earliest, Rogers has a clear advantage in the Canadian 5G landscape.

5G infrastructure stocks

Another way to profit from 5G is to invest in the infrastructure companies themselves. Due the controversy it's embroiled in, Huawei is probably one to avoid. But 5G developers like Samsung and Ericsson have potential.

Ericsson in particular is getting great deal of interest from investors. It's one of the rare stocks that's up for the year despite the COVID-19 fallout. Over the long term, the stock has been a massive loser, but it seems to be getting some renewed interest thanks to its 5G potential.

ETFs

A final option for profiting from 5G is to invest in ETFs that track the entire sector. For most retail investors, this is probably the best bet. The 5G landscape is shaping up to be competitive, and will see as many losers as winners. So far, it's not clear who will emerge on top.

What is clear is that the technology as a whole will grow in the years ahead. By buying a diversified 5G ETF, you therefore can profit from the growth of the industry without taking on the risk of betting on one default waterm horse.

CATEGORY

- 1. Dividend Stocks
- 2. Investing
- 3. Tech Stocks

TICKERS GLOBAL

- 1. NYSE:RCI (Rogers Communications Inc.)
- 2. TSX:RCI.B (Rogers Communications Inc.)

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