



3 Top Reasons to Buy BCE (TSX:BCE) Now

Description

Canada's telecoms are some of the best long-term options on the market. In addition to offering steady growth and handsome dividends, telecoms provide a defensive element that is hard to counter. But which telecom should you consider? **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is one of the largest of Canada's telecoms and should be near the top of every investor's buy list.

Here are some of the reasons why I believe you should buy BCE *now*.

You need a defensive option

We often talk about volatility, but there are few years in recent memory that have been as volatile as 2020. Between trade wars, tariffs, the end of the longest bull run in history, and a global pandemic, 2020 has been a roller-coaster ride. To make matters worse, we're still at the halfway point for the year, meaning there's still plenty of volatility. This is where an investment like BCE can help your portfolio.

Telecoms provide services that have become essential necessities of our modern life. Just over a decade ago, smartphones and internet connections were still seen as auxiliary connections to augment our need for a landline phone. If anything, the pandemic has only pushed the need for wireless and internet connections further into the realm of necessity. Countless jobs have transitioned into remote working environments, and wired and wireless connections have become one of the only (safe) ways to keep in touch with friends and family.

By way of example, in the most recent quarter, BCE reported both wireless and internet subscriber growth of 5.2% and 3.9%, respectively, over the same period last year. This is astounding considering that retail stores were closed for a considerable part of that quarter.

In other words, even in the midst of a pandemic, it's still a good time to buy BCE.

Buy BCE now for strong results and reliable growth

The pandemic wreaked havoc on the market. Many businesses were forced to shut down, and not all have or will reopen. Fortunately, this isn't the case for BCE. The company posted results for the first fiscal quarter earlier this year that continued to show promise.

Specifically, operating revenue saw a 0.9% dip to \$5680 million due to the pandemic. Adjusted net earnings came in at \$720 million, or \$0.80 per common share. By way of comparison, in the same period last year, BCE reported earnings of just \$692 million, or \$0.77 per share.

Turning to growth, BCE continues to invest in new opportunities. During the most recent quarter, BCE received approval to acquire TV Network V as well as the Noova on-demand service. The company also announced a \$400 million investment to offer all-fibre connectivity to 275,000 homes and businesses in Manitoba.

BCE continues to provide an income

Apart from offering a stable option in a volatile market, BCE also offers one of the better dividends on the market. BCE's quarterly dividend currently offers a juicy 5.78% yield. In addition to the attractive yield, prospective investors will also take solace in knowing that BCE has been paying out dividends without fail for over a century. This single fact makes BCE a [great option to consider](#). What makes now a good time to buy BCE is that the stock is still trading at a discount over where it started in 2020.

In other words, buy BCE now and forget about it for a [decade or more](#).

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Date

2025/08/26

Date Created

2020/07/21

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