



Canadian Growth Stock Investors: 3 5G Stocks to Buy Now

Description

In February, prior to the outbreak of COVID-19, I'd recommended three companies that are at the forefront of Canada's rollout of 5G technology.

Although the pandemic caused delays in the introduction of 5G throughout Canada, the pace of upgrading to 5G has once again picked up steam. The recent lockdowns and stay-at-home mandates highlighted the need for this technology.

Growth stock investors looking to cash in on 5G should consider **Rogers Communications** ([TSX:RCI.B](#))([NYSE:RCI](#)), **Sierra Wireless** ([TSX:SW](#))([NASDAQ:SWIR](#)), and **American Tower** ([NYSE:AMT](#)).

Canada's move to 5G

5G, the fifth generation of wireless technology, introduces new capabilities that are significantly more advanced than previous generations. 5G provides ultra-low latency for near-instantaneous responsiveness and a massive increase in the number of devices that can be connected to a network simultaneously.

Real-world benefits of 5G include capabilities to provide remote healthcare and virtual surgery for isolated communities, real-time traffic management, thermal imaging to help civil services, and decreased lag time for multi-player gaming on the go.

According to Jorge Fernandes, chief technology and information officer of Rogers Communications, "5G is expected to be the most transformative technology since wireless services were introduced in 1985, 5G will transition us to a truly digitally connected world."

Rogers Communications

Rogers Communications was the first to launch the 5G network in Canada. The company began its

rollout in Toronto, Ottawa, Montreal, and Vancouver in January.

As of mid-October, Rogers had [expanded its 5G service](#) to reach residents and businesses in 130 communities across Canada.

Shares of Rogers jumped last week after the company reported earnings. For the quarter, [revenue declined by 2.4% to \\$3,665 million](#) versus the same period last year. Adjusted EBITDA dropped 4.3% to \$1,638 million, and adjusted net income fell 11.9% to \$548 million.

Prior to market selloff in March, shares of Rogers reached as high as \$67.34. As of this writing, shares are trading at \$57.30, with a dividend yield of 3.45%.

Sierra Wireless

Sierra Wireless is a leading manufacturer of embedded machine-to-machine (M2M) modules and gateways. The company's chips have been crucial to the manufacture of cellular devices for the past two decades.

Sierra Wireless recently released 5G embedded modules that support different spectrum bands in a single platform.

Addressing the market interest in the company's 5G products, CEO Kent Thexton said that the company will continue to expand its 5G product pipeline in the coming months, including "several high-end 5G gateways and routers for industrial and enterprise applications." The company's 5G-gearred products should start having a [positive impact on Sierra's revenue in 2021](#).

Trading at \$14.77 as of this writing, shares of Sierra Wireless have more than doubled since March.

American Tower

American Tower is a telecommunications REIT that maintains a portfolio of over 181,000 wireless communication towers worldwide.

The company's growth over the past decade has been phenomenal. Between 2009 and 2019, American Tower's revenue increased from US\$1.7 billion to US\$7.5 billion.

Currently, the company connects approximately 517 million mobile devices across the United States. With the increased demand for 5G, the company expects to grow that number to 756 million by 2025.

The stock is trading at US\$234.09, as of this writing, with a dividend yield of 1.92%.

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1. Investing
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TICKERS GLOBAL

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2. NYSE:AMT (American Tower Corporation)
3. NYSE:RCI (Rogers Communications Inc.)
4. TSX:RCI.B (Rogers Communications Inc.)
5. TSX:SW (Sierra Wireless)

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