



## If 5G Is the Future, These 2 Stocks Are a Screaming Buy

### Description

What *is* 5G? Is it the next generation of 4G or is it more than that? There is no doubt 5G is a [communications technology](#) that will connect devices to the internet. But it will also facilitate the proliferation of end devices, making them smarter. To give you an idea, the 4G made many things possible on your phone.

### The future of 5G

Today you can make secure digital payments, do video calling, book cabs using the global positioning system (GPS), watch movies on over-the-top platforms all because of 4G. The communication infrastructure facilitated these services to work seamlessly. The 5G technology will be miles ahead of 4G and make self-driving cars a reality. We will likely see a “smart city,” where the traffic signals, security cameras, automatic doors, and delivery drones will all be smart. They will be capable of doing their job without human intervention with the help of artificial intelligence (AI).

You can tap the full potential of 5G by investing in chip and telecom companies that build the 5G infrastructure and software and cloud companies that make devices smart.

### BCE stock

The first beneficiary of communications technology is the communications equipment supplier and telecom provider. In Canada, **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) has the largest communications infrastructure and is investing aggressively in expanding the 5G footprint. The 5G infrastructure is denser than 4G, as it will provide low-latency, high-speed internet connectivity to multiple devices simultaneously.

BCE monetized the 4G opportunity by offering wireline and wireless internet products and services to individuals, corporates, and governments. It also offers Bell Media that includes TV, radio, digital and out-of-home platforms. It uses its cash flow from subscriptions to pay dividends. The 4G era began in 2010 and matured in early 2020. During this time, BCE stock price surged 130%. Its dividend per share [rose](#) at a compounded annual rate of 6.4%.

The 5G opportunity is much bigger than 4G. You can expect a similar or even better growth in the 2030 decade if BCE can maintain its leadership in the 5G infrastructure. The 5G will lead to endpoint device proliferation and increase subscriptions, thereby accelerating dividend growth. But this will take time as BCE has currently diverted its extra cash flow toward building the 5G infrastructure.

## BlackBerry stock

After BCE starts generating 5G revenue, endpoint devices will flourish, which is when **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) will benefit from 5G. BlackBerry offers endpoint security management solutions. The company is also expanding its reach in embedded systems, especially automotive. When 5G leads to endpoint device proliferation, cybersecurity will become the need of the hour. BlackBerry will be well placed to tap the market, and so will other companies.

BlackBerry is taking longer than usual to show a turnaround. If it succeeds, the stock will grow by leaps and bounds. The stock surged 60% in the last 12 months, even when its revenue dipped more than 10%.

However, maintain caution as BlackBerry has once again become the target on Reddit. The stock surged more than 10% on May 26 after BlackBerry appeared a lot in Reddit mentions, and most of these mentions were accompanied by a rocket ship emoji. This emoji was used significantly during the Doge to the moon craze.

If you own BlackBerry stock, sell it now and buy it when this Reddit game ends and the stock falls to \$10.

### CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

### TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. NYSE:BCE (BCE Inc.)
3. TSX:BB (BlackBerry)
4. TSX:BCE (BCE Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin

3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

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