



1 TSX Dividend Stock to Buy and Hold Forever

Description

Income investors should be happy with the clean sweep of Canada's big banks this December. The expected [dividend tsunami](#) happened, as all six announced higher payouts to shareholders. Everyone knows that the country's banking industry is a bedrock of stability.

Except for **National Bank of Canada**, the big bank stocks have been paying dividends for more than 100 years. Any stock could be your core holding and [source of rock-solid passive income](#). In the energy sector, **Imperial Oil** matches the banks' outstanding dividend track records.

However, one TSX dividend stock is perhaps the top buy-and-hold asset among all. You can invest in Canada's largest telecommunications company and never sell the stock again. **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) started paying dividends in 1881. Also, even with the dividend hikes of the big banks, the telco stock is more generous with its 5.43% dividend.

Most dominant in the oligopoly

If the banking sector has the Big Five, the telco sector has the Big Three. BCE is most dominant in the oligopoly, which includes **Telus** and **Rogers Communications**. As of mid-year 2021, the three firms accounted for 89.2% of total subscribers in Canada. They combined to generate 90.7% of the telecom industry's total revenues based on government data.

In late December 2020, **Bank of Nova Scotia** analyst Jeff Fan said the telecom industry will bounce back in 2021 and 2022, mainly with substantial gains in subscribers. He added in his note then that the bank is bullish on Canadian wireless for the first time in three years.

Fan also predicted that when immigration and international travel returns, the year-over-year growth in monthly paid wireless subscriber net additions would be around 20%. Lost roaming revenue should also return; it could be 40% this year and 60% next year.

Stronger from the crisis

In Q3 2021, the \$55.58 telco giant reported 0.8%, 3.8%, and 9.9% growth, respectively, in operating revenues, adjusted EPS, and net earnings versus Q3 2020. Mirko Bibic, president and CEO of BCE and Bell Canada, said, "Our consolidated Q3 financial results demonstrated another step forward in our COVID recovery and continued strong operational execution."

BCE's total wireless mobile phone and mobile connected device, retail Internet, and IPTV net subscriber activations increased 10.2% versus Q3 2020. The 14.3% year-over-year increase in mobile phone net subscriber activations was the best ever third-quarter postpaid churn rate (0.93%).

Bibic added that Bell's leading fibre and [5G broadband networks](#), wireline, wireless, and media innovations are clearly delivering the much-needed connections, as Canada recovers from the COVID crisis. Management increased capital expenditures by 12.4% as BCE executed its accelerated network investment plan.

PC Mag lists Bell as having the fastest mobile network, while Global Wireless Solutions named Bell 5G the country's best. The strategic agreements with **Amazon** Web Services (AWS) and VMWare Cloud should also enable BCE to lead in the digital transformation of Canadian businesses.

Potential earnings

As of December 3, 2021, BCE trades at \$65.84 per share (+26.26% year to date). Assuming you invest \$75,000 today, your money will generate \$1,001.25 every quarter. The passive income should be safe and sustainable for decades. Your potential earnings could be higher if you don't sell the stock and keep buying shares whenever possible.

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2. Investing

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