



Earnings Season: Here's Why BCE Is 1 of the Best Canadian Stocks to Buy

Description

This week, **BCE** ([TSX:BCE](#))([NYSE:BCE](#)), Canada's largest telecom stock, reported its earnings for the first quarter of 2022 and reminded investors why it's such a reliable business to own and one of the best Canadian stocks you can buy for your portfolio.

[Telecommunications stocks](#) such as BCE have always been excellent investments due to the natural defence they offer, but also the consistent long-term growth the industry has.

In this environment, having high-quality core portfolio stocks such as BCE can help investors to weather the economic storm, continuing to both protect and grow their capital.

So, without further ado, let's look at how BCE performed in the first quarter and why it continues to be one of the best Canadian stocks to buy today.

BCE earnings

Despite a challenging business environment these days with surging inflation, rapidly rising interest rates, a pandemic that continues to produce new, more infectious variants, and a major war in Europe, high-quality and resilient stocks continue to put up impressive numbers. And that's exactly what we got from BCE this past quarter.

The stock beat expectations across the board, reporting adjusted earnings per share of \$0.89 compared to the consensus estimates of \$0.81. In addition, its consolidated EBITDA came in at \$2,584 million compared to expectations of just \$2,502 million.

On top of the fact that the stock beat its expectations for revenue, adjusted earnings, and EBITDA, each of its three operating segments, wireline, wireless and media, all posted strong results this quarter, exceeding estimates. So, it's clear that BCE continues to perform well and is one of the best Canadian stocks you can buy for the long haul.

That's not all, though. As crucial as it is for investors to get confirmation that BCE continues to perform

well, it's also just as important to get an outlook for the stock to see how it will continue to expand its operations into the future.

So, with the stock continuing to rapidly build its fibre-to-the-home infrastructure as well as adding more [5G](#) equipment, there is a tonne of potential for BCE to continue increasing its revenue and net income.

In fact, in just the first quarter, BCE added roughly 26,000 high-speed internet customers and approximately 38,000 new fibre-to-the-home customers. So, the stock continues to have a tonne of potential, despite the challenging operating environment for all Canadian stocks right now, reminding us why it's one of the best to buy.

BCE is one of the best Canadian stocks to buy for this environment

With inflation still so significant and now interest rates starting to rise rapidly, all while several other factors impact markets, it's crucial to ensure you own the highest-quality companies that you can rely on and commit to for years.

The market has been concerned about the possibility of a recession for a few months now. It's crucial that you find the best Canadian stocks to own that will both protect and grow your capital over the long haul, and that's exactly what BCE can do for you.

Although there is the risk of a recession on the horizon, BCE investors have less to worry about. The stock's operations are incredibly defensive. For example, at the worst point of the pandemic's impact on BCE's business, it saw a reduction in revenue by less than 10%.

Therefore, considering that the stock's operations are incredibly robust, its financials are strong, the company is a major cash cow, and it pays a growing dividend, which currently yields 5.3%, there is no question that BCE is one of the best Canadian stocks to buy, especially in this environment.

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