



## Why Telus (TSX:T) Is the Top Telecom Stock to Own Right Now

### Description

**Telus** ([TSX:T](#))([NYSE:TU](#)) is a Vancouver-based company that provides a range of telecommunications and information technology products and services to a domestic consumer base. Today, I want to discuss why Telus is my favourite [telecom](#) stock to target right now. Let's dive in.

### How has this telecom stock fared so far in 2022?

Shares of this telecom have climbed 1.7% in 2022 as of early afternoon trading on August 25. The stock has increased 4.7% in the year-over-year period. Telus has performed better than many of its top peers in this space, which include **BCE** and **Rogers**. Both telecoms are in the red in the year-to-date period.

It is no coincidence that Telus has managed to outperform its peers in this space. The company has put together an impressive stretch of earnings that have outshone its competitors.

### Should investors be encouraged by Telus's recent earnings release?

This top telecom unveiled its second-quarter (Q2) fiscal 2022 earnings on August 5. The company delivered total mobile and fixed customer growth of 247,000 — up 24,000 from the previous year. Meanwhile, it posted mobile phone net additions of 93,000. That represented its best-performing second quarter in over a decade. Telus has achieved strong customer loyalty across its mobile and fixed product lines.

The company delivered operating revenue growth of 6.4% year over year to \$4.37 billion. Meanwhile, adjusted net income was reported at \$422 million, or \$0.32 in adjusted basic earnings per share (EPS) — up 21% and 23%, respectively, compared to the previous year. Investors should also be interested in its profitability. EBITDA is a measurement that stands for earnings before interest, taxes, depreciation, and amortization. This aims to give a better picture of a given company's profitability.

Telus delivered adjusted EBITDA of \$1.62 billion in the second quarter of 2022 — up 8.9% from Q2 2021.

On the operational side, Telus saw its mobile network revenue increase 6.4% year over year to \$97 million. This was primarily due to growth in its mobile phones and connected device subscriber bases. Meanwhile, fixed data services revenues jumped 4.5% to \$46 million. That was driven by an increase in internet and data service revenue growth and home and business security customer growth.

## Telus: Is it still worth buying today?

Shares of Telus currently possess a price-to-earnings ratio of 22. That puts this [top telecom stock](#) in solid value territory at the time of this writing. It is trading in more attractive levels than its top competitors.

In the second quarter of 2022, Telus declared a quarterly dividend of \$0.3386 per share. That was up 7.1% from its quarterly distribution in the previous year. This dividend payout represents a very solid 4.4% yield. Telus has now delivered dividend growth for 18 consecutive years.

Telus stock suffered a sharp dip in late June. This has provided a solid buy-the-dip opportunity in what I'd consider to be the top telecom on the TSX right now. I'm still looking to snatch up Telus after its second-quarter earnings release.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:T (TELUS)

### PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

### PP NOTIFY USER

1. aocallaghan
2. kduncombe

### Category

## 1. Investing

**Date**

2025/08/25

**Date Created**

2022/08/25

**Author**

aocallaghan

default watermark

default watermark