



3 Forever Stocks Perfect for Retirees

Description

If you've recently decided to retire, chances are you've worked very hard for your nest egg. The last thing you should do is gamble with that money in the hopes of earning a higher return. Rather, you should focus on investing in companies that have a solid track record, ones you know will still be around in 20 years or more. Below we take a look at three such companies.

1. Brookfield Asset Management

There are very few companies in Canada with a better track record than alternative asset manager **Brookfield Asset Management** (TSX: BAM.A)([NYSE: BAM](#)). The company has done an excellent job investing money over the past two decades — both for its clients and for itself — and as a result, the shares have compounded 19% per year over this time frame.

The major knock on Brookfield is its complexity — the company has numerous subsidiaries, some of which are publicly traded, and trying to figure out exactly what you're getting with Brookfield's shares is practically impossible.

Despite this, the company has a proven ability to create value for its shareholders. There's no reason to expect that to change any time soon.

2. Canadian National Railway

If you're looking for companies that can stand the test of time, look no further than the railroads. After all, no other industry faces higher barriers to entry — the cost of laying down enough track is far too steep. The most consistent performer among North America's railroads is **Canadian National Railway** ([TSX: CNR](#))([NYSE: CNI](#)).

To illustrate, the best way to measure a railroad's efficiency is its operating ratio, which measures expenses as a percentage of revenue. Canadian National's has been consistently lower than its peers, averaging 63.3% over the past three years.

It also has the best track network of any railroad in North America, the only one that reaches the west

coast, east coast, and Gulf coast. As more and more companies want to move their goods across North America, the stands to benefit for many years to come, as will its shareholders.

3. Canadian Natural Resources

Speaking of excellent track records, no energy company in Canada has a better one than **Canadian Natural Resources** ([TSX: CNQ](#))([NYSE: CNQ](#)). Led by Chairman Murray Edwards, CNRL has earned a reputation as a company that buys assets cheaply and controls costs ferociously.

Shareholders have benefited immensely from this pattern, earning 19% per year over the past 15 years. There's no reason to expect management to do anything differently in the years ahead.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:CNI (Canadian National Railway Company)
3. NYSE:CNQ (Canadian Natural Resources)
4. TSX:BN (Brookfield)
5. TSX:CNQ (Canadian Natural Resources Limited)
6. TSX:CNR (Canadian National Railway Company)

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