



## 3 Stocks You Can Buy and Hold ... Forever

### Description

They say a portfolio is like a bar of soap. The more you touch it, the smaller it gets.

The fact is, most investors are pretty bad at timing, especially when selling. We tend to sell at the worst possible time, usually when a stock is much lower. Or we continue to hang on to a loser, telling ourselves we'll sell once we break even.

Many investors would benefit from forgetting all about selling. All they should be focusing on is buying terrific companies over the long term. Since the expected holding period is decades, there's no reason to even think about bailing.

Here are three such stocks to get you started.

### Pizza Pizza

I first added **Pizza Pizza Royalty Corp.** ([TSX:PZA](#)) to my portfolio about 18 months ago when it paid \$13.70 per share. It's been a fantastic decision, and not just because I've made approximately 30% (including dividends) either. I plan to hold my shares for a very long time.

There's a lot to like about the pizza business. It lends itself well to ordering online, which is the next big trend in food. Both same-store sales and overall sales continue to creep consistently higher. Pizza Pizza has a terrific brand. And the company does a great job with innovation, including embracing non-traditional store types, putting locations in movie theatres, stadiums, and museums.

Investors who buy today are getting a nice 5.1% yield—a payout the company has grown multiple times since 2011. Even if capital gains don't come in the short term, at least investors know they can count on that dividend.

### Intact Financial

**Intact Financial Corporation** ([TSX:IFC](#)) has a couple of powerful things that make it a very attractive forever stock.

The company is a terrific underwriter. It has consistently posted combined ratios of under 100%, which means it is making money from underwriting alone. Any investment income from invested premiums is just gravy. Now that it looks like rates are headed higher, look for Intact to post better investment results.

It also is a growth-by-acquisition story. Intact controls about 20% of Canada's property and casualty insurance market. That doesn't seem like much, but it makes Intact the dominant leader. The next biggest competitor is about 10% with the rest of the market being quite fragmented. Intact's management intends to take advantage of acquisition opportunities to increase its market share.

While investors wait for Intact to get bigger, they can collect the company's 2.5% dividend—a payout that has increased each year since 2009.

## **BCE**

I know of at least one investor who insists that **BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)) is Canada's finest stock. It's easy to see the logic behind such a proclamation.

The telecom sector features the kind of sticky revenue most industries can only dream of. Sure, television and home phone subscribers are slowly declining, but the company is able to pass through price increases to keep the top line heading higher. And imagine trying to live in 2016 without wireless or internet service.

BCE is also big in media, owning a number of Canada's top television and radio stations along with those properties' websites. It even owns a portion of the Toronto Maple Leafs, Toronto Raptors, and Montreal Canadiens.

BCE has raised its dividend at least annually since 2009, increasing the quarterly payout from 38.5 cents per share to 68 cents today. You won't find much better dividend growth than that.

Shares currently yield 4.8%—a very attractive payout in today's low-rate world.

## **The bottom line**

Pizza Pizza, Intact Financial, and BCE are the kinds of stocks an investor should buy with the intention of never selling. They've all been terrific performers over the past 10 years. There's no reason why that outperformance shouldn't continue for the next few decades.

## **CATEGORY**

1. Dividend Stocks
2. Investing

## **POST TAG**

1. Editor's Choice

## TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:IFC (Intact Financial Corporation)
4. TSX:PZA (Pizza Pizza Royalty Corp.)

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