



Canadian Investors: 3 Great Stocks You Can Buy and Hold Forever

Description

One thing I've realized over the years is that people like you and me are a little odd. Okay, it's just me.

I live for investing. I think about it when I first get up in the morning and when I go to bed at night. I'm constantly reading, researching, and dreaming up ways to grow my net worth. It's the perfect intellectual challenge.

One thing I've realized is the rest of the world isn't like me. They don't want to think about their investments. Thinking leads to stress, which can manifest itself in a number of scary ways. Besides, stressed investors tend to do dumb things like sell at the bottom.

Most investors want one thing — to own shares of high-quality companies they can forget about. Not only is this far less work, but it's also been proven to be an easy source of excess returns over time. There's a reason why Warren Buffett's favourite holding period is forever.

The only thing left for you to do is pick great stocks. Here are three to get you started.

Telus

Telus Corporation ([TSX:T](#))([NYSE:TU](#)) has made thousands of investors rich over the last two decades, and it's poised to continue its dominance.

Telus has been doing a nice job growing revenues from wireless, nicely exploiting our thirst for data. Internet subscribers are also up, and, unlike many of its rivals, Telus has been increasing television subscriber numbers.

Even though millennials are slowly moving away from cable television, there's still plenty of potential to make money selling my generation both wireless and wired data. In other words, don't be surprised if your internet bill goes up.

Telus also trades at a very reasonable valuation of 15.5 times 2017's expected earnings and has been aggressively buying back shares for years now. It pays one of the best dividends out there, sporting a

yield of 4.5%.

Restaurant Brands

Restaurant Brands International Inc. ([TSX:QSR](#))([NYSE:QSR](#)) was recently linked to Popeyes Louisiana Kitchen; an acquisition would cement the former as a serious consolidator in the fast-food market. Restaurant Brands would then use its expertise to make Popeyes a real international force.

Even if the company isn't able to make any big acquisitions, it still has plenty of growth potential by taking Tim Hortons around the world. The iconic Canadian chain recently announced it is expanding into Mexico, although the deal was lacking on details.

Some investors are worried about the company's sky-high P/E ratio, which currently sits at 74.5. But that's the wrong way to value this company. If we look at free cash flow, shares are downright cheap. The company did \$5.28 per share in free cash flow in 2016, putting shares at just 13.5 times free cash flow.

Restaurant Brands has also been a dividend-growth machine, hiking its payout each quarter in 2015 and 2016. The current yield is 1.3%.

Bank of Nova Scotia

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) offers investors a great Canadian bank and operations in Central and South America as well as Asia. Those international assets are the ones that should get investors excited.

Growth potential in the developing world is huge. There are tens of millions of people in these parts of the world that have traditionally been too poor to need banks. As they get richer, they'll need a safe place to deposit money and the ability to take out loans. This growth is already beginning; earnings from international banking were up nearly 10% in Bank of Nova Scotia's most recent quarter.

Shareholders have also been treated to exceptional dividend growth over the years. The payout has been hiked twice per year since 2012, and shares currently yield 3.6%.

The bottom line

Investing doesn't have to be complicated. In fact, you can make it pretty easy by loading up on great stocks like Telus, Restaurant Brands International, and Bank of Nova Scotia, and then never selling. That's what the best investors do. Will you be one of them?

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