

Growth Investors: 4 Stocks to Hold for Years

Description

When investing for the long term, it's important to look closely at a company's business model to see how it can grow over the years. If it isn't obvious, then you might want to ask yourself if it's a good investment to hold. The stocks below don't have that problem and are great long-term buys that could generate significant returns for your portfolio.

Waste Connections Inc. ([TSX:WCN](#))([NYSE:WCN](#)) may not be in the most exciting industry, but the company has a lot of potential to grow. Waste Connections operates in a recession-proof industry, since garbage is an unavoidable by-product of our day-to-day lives, and someone has to look after cleaning it up.

The company has used acquisitions to accelerate its growth, with Waste Connections acquiring Progressive Waste back in 2016. There is still a lot of opportunity for more consolidation as the industry in North America is very fragmented, and strong cash flows equip Waste Connections with ample resources to acquire key companies.

In 2016, the company's sales were up more than 75%, while profits had doubled. Its share price has also performed very well with returns of more than 20% in the past year, and it has [routinely outperformed the TSX](#).

Student Transportation Inc. ([TSX:STB](#))([NASDAQ:STB](#)) is in the business of offering school bus transportation services, and that too is unlikely to change anytime soon. While self-driving technologies are continuing to evolve, those are not solutions that are going to be implemented any time soon. It also won't be easy convincing parents to let their young children be transported by a driverless school bus.

That's why Student Transportation has a bright future, as the company's focus on safety ensures that it wins the trust of parents and anyone else that relies on its services.

Last year, sales were up just 6% but in three years the company's top line has risen 30%, while profits have grown even more significantly.

New Flyer Industries Inc. ([TSX:NFI](#)) is also involved in transportation, particularly in transit buses. A market leader in North America, New Flyer is also working on continuing to evolve its brand, as it looks to build electric buses in the hopes of using cleaner energy sources.

Although the stock trades at high multiples, it still presents a good option for [value investors](#) that are looking for long-term stability and growth. Over the past five years, New Flyer's stock has risen more than 500%.

The company has also seen strong sales growth with revenues rising 90% over the past three years, and profits of just \$27 million have increased to \$125 million during that time.

Hydro One Ltd. ([TSX:H](#)) has only been listed on the TSX for a little more than two years, but it has a lot of potential for the long term. With its recent expansion in the U.S., the once government-run operator will be able to grow beyond just Ontario, and that would do wonders for the company's sales, which have not seen much of an increase over the past few years.

While the company's stock is only up 1% since going public, its 4% dividend will offer you some incentive to be patient with its growth.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:WCN (Waste Connections)
2. TSX:H (Hydro One Limited)
3. TSX:NFI (NFI Group)
4. TSX:WCN (Waste Connections)

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