



3 Top Canadian Stocks to Own for Decades

Description

The pullback in the market is finally giving investors a chance to pick up some of Canada's top companies at reasonable prices.

Let's take a look at **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)), **BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)), and **Nutrien Ltd.** ([TSX:NTR](#))([NYSE:NTR](#)) to see why they might be interesting picks.

Bank of Nova Scotia

Investors often skip Bank of Nova Scotia when choosing a financial institution for their portfolios, but that might be a mistake.

Why?

The company has built an impressive international business over the past decade, with a strong focus on Mexico, Peru, Colombia, and Chile. These Latin American countries represent the heart of the Pacific Alliance trade bloc, which was set up to enable the free movement of goods and capital among the member states.

Together, the four markets are home to more than 200 million consumers.

Bank of Nova Scotia is well positioned to benefit from rising demand for loans and investment products, as the middle class grows in the region. The bank already gets nearly 30% of its profits from the international operations.

The recent pullback in the stock means investors can pick up Bank of Nova Scotia for a reasonable 11.3 times trailing earnings, which is a nice discount to its larger peers.

BCE

BCE bought two companies and launched a new business in the past year.

The purchase of Manitoba Telecom Services bumped BCE into top spot in the Manitoba market and

gave the company an important base in central Canada. In addition, the recently closed acquisition of AlarmForce provided an important portfolio of home-security services to offer to BCE's residential customers in the eastern half of the country. Finally, the company launched Lucky Mobile, a low-cost prepaid mobile business.

The three businesses should support revenue and cash flow growth and strengthen BCE's dominant position in the Canadian communications market.

The company generates ample free cash flow to support the generous dividend, and investors should see steady payout growth continue. At the time of writing, BCE provides a yield of 5.5%.

Nutrien

Nutrien is a global crop nutrients powerhouse supplying farmers around the world with potash, nitrogen, and phosphate. The company also has an international retail division that provides seed and crop-protection products.

The multi-year downturn in fertilizer prices appears to be over or at least finding a bottom, and Nutrien should benefit as the market recovers amid rising global demand for food. Population growth combined with urban sprawl into agriculture areas means farmers have to produce more crops with less land, and getting higher yields requires the use of fertilizers.

The bottom line

All three stocks should be solid-buy-and hold picks for any RRSP or TFSA portfolio. If you have some funds sitting on the sidelines, an equal position in Bank of Nova Scotia, BCE, and Nutrien would provide a nice balance of attractive yield and exposure to global growth.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. NYSE:NTR (Nutrien)
4. TSX:BCE (BCE Inc.)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:NTR (Nutrien)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Bank Stocks
2. Dividend Stocks
3. Investing

Date

2025/08/14

Date Created

2018/04/14

Author

aswalker

default watermark

default watermark