



## RRSP Investors: 2 Stocks to Buy Now and Forget for Decades

### Description

Canadian investors want to build a comfortable [retirement portfolio](#).

Some people simply pay a professional to look after their retirement planning, while others prefer a more hands-on approach. This can certainly save a few bucks by eliminating fees, but it also requires allocating serious hours for research and portfolio management.

In order to minimize the amount of helicopter time we spend over the holdings, it helps to own a few buy-and-ignore stocks. Let's take a look at two companies that might be interesting picks.

#### **Waste Connections** ([TSX:WCN](#))([NYSE:WCN](#))

As the name suggests, Waste Connections is in the business of looking after garbage. The company operates removal and transfer services for businesses and households in Canada and the United States. Waste Connections also has a division that specializes in cleanups for energy companies.

The firm continues to grow through acquisitions, and investors should see more deals in the coming years as the industry consolidates. At present, the business serves six million customers in 40 states and six Canadian provinces.

Waste Connections reported Q2 2018 adjusted net income of \$0.65 per share, representing an increase of 18.2% over the same period last year. Management just upgraded the revenue, earnings, and free cash flow outlook for 2018, given the strong start to the year and positive pricing trends in the solid waste segment.

The garbage business is relatively recession resistant, so Waste Connections should be a good contender for a buy-and-forget spot in your portfolio.

Investors who'd bought the stock just five years ago paid about \$35 per share. Today, it trades for about \$103, and the move has pretty much been a steady upward trend.

## Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#))

CN is the only rail company in North America with tracks that connect to three coasts. This is an important advantage that is unlikely to change.

Why?

Attempts to merge railways tend to get blocked by competition watchdogs, and there isn't much chance of competing lines being built along the same routes. CN isn't void of competition; the company battles for business with the trucking industry and with other rail carriers on some routes. Overall, however, it's a sweet business with a wide moat.

As the economy expands, CN should prosper, and management is making the necessary investments to ensure the company can meet rising demand for its services. The 2018 capital program is about \$3.5 billion, roughly equivalent to one-quarter of revenue.

CN generates significant free cash flow (\$1.3 billion in the first half of 2018) and has a fantastic track record of sharing the profits with investors. The compound annual [dividend-growth](#) rate is about 16% over the past 20 years.

The stock currently trades for \$116 per share. Ten years ago, it was \$26, adjusted for splits.

### The bottom line

Waste Connections and Canadian National Railway should be reliable buy-and-hold picks for a self-directed RRSP investors who don't want to hover over their holdings every day.

### CATEGORY

1. Dividend Stocks
2. Investing

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1. Editor's Choice

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2. NYSE:WCN (Waste Connections)
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