



2 Top Wide-Moat Stocks to Buy and Never Sell

Description

If you're a [follower of Warren Buffett](#), then your favourite holding period for a stock is probably forever.

You're buying pieces of businesses, after all, not some ambiguous symbol that you should buy and sell depending on the magnitude and direction on daily movements. So, with that in mind, it makes sense never to sell a stock after you've included it in your "forever" portfolio. You buy businesses to own them for the long haul, not to trade in and out of them ad nauseum.

While buy-and-hold-forever strategy may seem like a simple, fool-proof way to get rich over the long term, a "forever" holding period is rarely plausible when it comes to most stocks, even if you've ensured 100% due diligence prior to pulling the trigger on the stock of a business that you'd love to own for life — even Warren Buffett sells stock from time to time!

Long-term theses change, and you've got to react accordingly to ensure that the business you own is still as wonderful as it was when you decided to buy its shares. Thus, buying and holding forever isn't an optimal strategy when it comes to most publicly traded securities.

There are, however, a rare few stocks that deserve a permanent place in any investor's portfolio. Typically, the underlying businesses of these stocks have moats so wide that even breakthrough technological advancements aren't able to deter their long-term growth story.

We live in an era of rapid technological innovation in disruption, so such extremely wide-moat stocks are few and far between. So, if you come across one that's modestly valued, you should buy shares and hang onto them for life.

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) and **TFI International** ([TSX:TFII](#)) are two such names with growth profiles that are almost as impressive as their respective moats.

The rails have one of the widest and most impenetrable moats out there. It's virtually impossible for a competitor to start a railroad, given the tens of billions of dollars it'd cost to construct a railway that touches down on all three North American coasts. Not to mention there'd be a ridiculous number of regulatory hurdles to jump over as well!

Railways are the most effective way to get bulk shipments across long distances, and as next-gen IoT (internet-of-things) tech continues to take off, the efficiency and safety of rail operations will only continue to get better. As North America's most efficient railway, CN Rail is a company that'll be sitting on the throne for many more decades, as its top-tier management team stays at the forefront of "what's next" in the rail scene.

The closest thing to a rail disruptor is the truckers. While they may be seen as "substitute" services through the eyes of some clients, investors should see the two as separate entities that work in conjunction with one another to keep the economy healthy.

I've called the rails and truckers the [heart and veins of the economy](#), so if you're an investor who wants to profit profoundly from the continuously improving economy, I'd advise getting a piece of both the rails and truckers.

TFI International, formerly known as Transforce, is a Canadian trucking firm with the country's largest less-than-load business. The company has recently bounced back from operational issues and is now firing on all cylinders and will continue to enjoy the fruit that comes with a strong Canadian and American economy.

Foolish takeaway

If you're going to buy a stock and hold it forever, make sure you've got a company whose moat is wide enough to be impenetrable over the course of decades. Such a wide moat will allow you to put your portfolio in cruise control.

If you're looking for long-term market beaters, CN Rail and TFI International are must-own stocks that should be added to on any dips.

Stay hungry. Stay Foolish.

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2. TSX:CNR (Canadian National Railway Company)
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Author

joefrenette

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