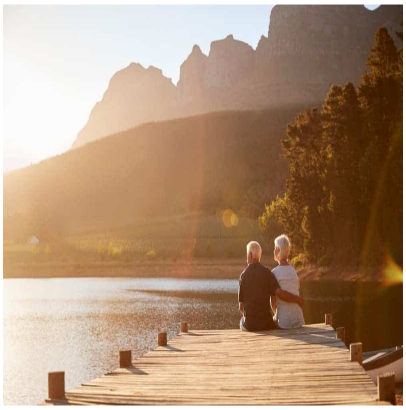

RRSP Investors: 3 Stocks to Build Your Portfolio Around

Description

When building a portfolio for your RRSP, it's a good idea to invest in stocks that have the potential to grow over the long term that you won't have to keep a close eye on. Here are three buy-and-forget stocks that could be great pillars for any portfolio.

Canadian National Railway (TSX:CNR)(NYSE:CNI) is a good stock to bet on, since it will grow as the economy continues to perform well. With lots of products and materials transported by CN Rail, it remains a popular form of transportation, especially when it comes to hauling heavy loads. Since 2014, sales have grown by a modest 18%, and that's the type of slow and steady increases you can expect from the railway operator.

What's more important, however, is that CN Rail has generated over $20 billion in profits over the past five years, averaging an impressive gross margin of over 31% during that time. With strong profits and lots of free cash flow, investors don't have to worry about this company being in any danger anytime soon. While its dividend yield of just 1.6% might be a little low, the stock has more than made up for that with returns north of 80% over the past five years.

WestJet Airlines (TSX:WJA) might be a less obvious choice to add to your portfolio, but over the long term this pick makes a lot of sense. As the world shifts from its dependency on oil and into more efficient and greener forms of energy, prices for the commodity will likely continue to drop, and that will help the bottom line for WestJet and other airlines.

We've seen **Air Canada** dominate the industry for many years, and with WestJet taking a big piece of market share now, and with a focus on low-cost options for consumers, it has the potential to rise in popularity and bring in more traffic on its planes. The stock pays a bit of a better yield with payouts totaling more than 2.6% annually, and it's also a good value buy, trading right around its book value.

There will definitely be some volatility with this stock, especially in relation to oil prices, but over the long term the trend should be favourable for the company.

Shaw Communications (TSX:SJR.B)(NYSE:SJR) is another company that isn't going anywhere. The cable company is one of the industry leaders and one of the default options for consumers out west when it comes to choosing a provider. Shaw's foray into wireless phones will also create a lot of growth for the company, even if it means some high expenses early on to help grow its new Freedom Mobile brand, making it into a formidable threat.

On top of it all, the stock pays a very attractive monthly dividend, which currently yields 4.3% annually. In the past year, the stock has climbed 8% in value, and it could have a lot more to go especially as it continues to expand and build its product offerings.

CATEGORY

1. Dividend Stocks
2. Investing

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2. NYSE:SJR (Shaw Communications Inc.)
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