



RRSP Investors: Load Up on These 3 Buy and Hold Forever Stocks Today

Description

It's RRSP season, which probably means if you're reading this, you've already made your contribution and are looking for somewhere to put the money.

I think a RRSP is sort of like a bar of soap. The more you handle it, the smaller it becomes. That means you want to stick to a few core positions and hold them for a very long time. Then there's nothing left to do but sit back, relax, and watch the portfolio go up.

It's not easy to ignore all the noise — I know that better than anyone — but it's precisely what investors need to do to focus on the long term.

Here are three great companies you'll want to own for the next few decades.

Information Services

Information Services Corp (TSX:ISV) sounds like a generic company from a movie. And at first glance, its business is almost as boring as its name.

The company's main business is land titles. More specifically, Information Services has the contract to operate Saskatchewan's land title registry exclusively until 2033, which is a surprisingly lucrative business. It has then used those earnings to expand into things like software, legal services, and other registry services. For instance, in 2018, the company won a contract to convert Yukon's paper-based registry system to a digital version.

Information Services might not be the sexiest growth name out there, but it's a steady business that generates plenty of profits. Over the past year, the company has generated \$112 million in revenue and \$25 million in free cash flow. It has a market cap of just over \$300 million, giving shares an attractive price-to-free cash flow ratio.

And the company pays a generous \$0.80 per share annual dividend, which is good enough for a 4.8% yield.

Waste Connections

Waste Connections Inc. ([TSX:WCN](#))([NYSE:WCN](#)) has quietly been one of North America's top growth stories over the last 20 years. Since 1997, the company has increased its revenue from \$7 million to nearly \$5 billion and expanded operations from two measly states to 38 states and six provinces in Canada.

It isn't over yet, either. Garbage collection is still an incredibly fragmented business, with hundreds of small operators doing business throughout North America. Waste Connections is slowly consolidating this industry, making bolt-on acquisitions whenever the opportunity comes available.

The company is well aware that cost wins most garbage contracts and is constantly working to keep expenses down. It focuses on keeping staff happy and safety, as issues with both of those things can lead to ballooning costs.

The company's current dividend yield is a mere 0.7%, but with a payout ratio of approximately 25% of earnings, look for the dividend to march steadily higher in the next few years.

Royal Bank of Canada

Many industries are on the verge of being disrupted, either by new technology or different business models. But I'm willing to bet that banking will continue more or less unchanged for the next century, just as it has for the last 100 years.

Royal Bank of Canada ([TSX:RY](#))([NYSE:RY](#)), Canada's largest bank, is therefore a great investment choice. Not only is Royal a behemoth here in Canada — it leads in market share with the most mortgages outstanding — but the bank also has a large presence in the United States, is one of North America's largest wealth managers, and has a sizeable insurance division.

Back in 2015 or 2016, everyone was talking about how so-called Fintech companies were going to do major damage to Canada's major banks. These banks, including Royal, have responded by spending billions on new technology. Canadian savers can do just about everything online or via a smartphone app these days, which will benefit the bank by leading to both significant cost savings and cross-selling opportunities.

Finally, RBC pays investors a 3.9% dividend, a payout that has been regularly hiked since debuting back in 1870. Yes, you read that right. Royal Bank hasn't missed a dividend for nearly 150 years.

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2. NYSE:WCN (Waste Connections)
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Author

nelsonpsmith

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