



New Investors: 3 Stocks to Buy Today and Own for Decades

Description

New investors have a wide variety of stocks to choose from when starting to build their [portfolios](#).

Chasing the hottest picks in the market might sound like a good plan. For example, cannabis stocks are all the rage these days. Big gains can certainly occur if you pick the right horse at the right time, but the industry is still very new and valuations appear somewhat out of control.

Where should you invest?

No stock is risk-free, but there are companies that operate in established industries and have track records of delivering solid returns for investors. Let's take a look at three stocks that might be interesting picks to start a portfolio today.

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

The business of waste collection, transfer, and disposal might not be very exciting, but investing should be about driving returns on your savings rather than providing entertainment.

Waste Connections operates its services in Canada and the United States and continues to grow through strategic acquisitions. The company just reported strong Q1 2019 results. Adjusted net income came in at \$0.62 per share compared to \$0.56 in the same period last year.

Margins are improving and the company is seeing the benefits from last year's takeover activity. In addition, Waste Connections has already signed or closed deals in 2019 on acquisitions that will add \$100 million in revenue.

The company raised the dividend by 14% late last year, and investors should see the distribution continue to rise. Management says the business is on target to generate adjusted free cash flow of \$950 million in 2019.

The waste industry is inherently recession resistant, and investors should be able to buy this stock and

forget about it for 20 years.

BCE ([TSX:BCE](#))([NYSE:BCE](#))

BCE is a giant in the Canadian communications and media markets. The company's size and financial firepower ensure it can invest the billions of dollars needed to upgrade its wireless and wireline network infrastructure to meet rising demand for broadband.

BCE continues to widen its competitive moat through the roll-out its fibre-to-the-premises program. In addition, it has the capacity to interact with most Canadians every day through its extensive media operations that include radio stations, a TV network, specialty channels, sports teams and an advertising business. BCE also owns retail operations.

The company generates healthy free cash flow and raises the dividend on a regular basis. The payout currently provides investors with an attractive 5.25% [yield](#).

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

CN is a leader in the North American rail industry with a unique network of rail lines that connects three coasts. The company plays a critical role in the functioning of the Canadian and U.S. economies, carrying everything from coal, crude oil and cars, to grain, lumber, fertilizer, and finished goods.

CN is a very profitable business and continues to invest in new locomotives, rail cars, and network upgrades. The board does a good job of sharing profits with investors through annual double-digit dividend increases and large share-buyback programs.

Long-term investors have done very well with the stock. A \$10,000 investment in CN just 20 years ago would be worth more than \$250,000 today with the dividends reinvested.

The bottom line

Waste Connections, BCE, and CN are leaders in their respective industries and should continue to be solid buy-and-hold picks. If you are searching for stocks that you can own for decades, these companies deserve to be on your radar.

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Author

aswalker

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