3 Stocks You Should Never Sell — Ever

Description

It's all well and good to find stocks that are up and coming or are in for an immense amount of growth over the next year. But investors need to diversify their portfolios to include stocks that will grow steadily for years, ideally decades, to come.

If you're looking for these type of stocks, I have three great ones to start with: **Canadian Pacific Railway** (TSX:CP)(NYSE:CP), **Enbridge** (TSX:ENB)(NYSE:ENB), and **Royal Bank** (TSX:RY)(NYSE:RY).

Canadian Pacific

CP shares a duopoly with **Canadian National Railway**, making it incredibly difficult for any other competition in this incredibly important market. And CP has recently transformed, with a focus on saving money and reinvesting in the company.

What this means for investors is not only a limited amount of spending in the near and distant future, but also further cash in hand for the company that will be delivered to investors both as re-investment and through the company's dividend yield of 0.87% at the time of writing.

Granted, right now the company's P/E ratio and P/B ratio are both high, at 20.6 and six, respectively. But if you look at historical performance, this company is sure to continue the steady increase it's been on for the last few decades.

Enbridge

While CP may be overvalued, Enbridge is most assuredly undervalued at this moment, with an incredibly bright future ahead. The company is in the middle of its growth plan to expand multiple pipelines, most recently the Line 3 Replacement and Expansion Project, which will ship 750,000 barrels of crude oil per day when it gets going in the latter half of 2020.

But again, this is only the beginning. The company has a number of expansion projects for the next few years and has long-term contracts to support this company's growth for decades. This has analysts expecting great things from this stock, with a P/E ratio of 23.8. It also has almost unheard of earnings-per-share percentage growth at 1,058.46% over the last five years. With its fair value at around $60 per share and trading at this moment at $49.12, the company is a great investment for the short and long term.

Royal Bank

Another company that is a good buy at this moment is RBC. The bank has a proven track record of getting out of the stickiest of situations, such as the last recession of 2008. This makes it a great buy should Canada enter another recession in the near future, which is looking likely.

You could buy other Big Six banks, but RBC is the best in my opinion due to its expansion into not only the United States, but the wealth and commercial management sector of the U.S. While the stock appears overvalued at this moment, it has a strong P/E of 12.3 and ROE of 17.47%. Again, looking at its historical performance, this stock has steady growth, making it the perfect stock to buy and hold forever.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CP (Canadian Pacific Railway)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:RY (Royal Bank of Canada)
4. TSX:CP (Canadian Pacific Railway)
5. TSX:ENB (Enbridge Inc.)
6. TSX:RY (Royal Bank of Canada)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing

Date
2025/08/28
Date Created
2019/05/19

Author
alegatewolfe