3 Hold-Forever Stocks

Description

It can be hard to think about buying a stock with very little chance of selling it anytime soon. The whole point of investing is that you're hoping to make money, so why would you buy a stock and then consider *not* selling it to put that cash in your pocket?

The answer: *more* cash in your pocket.

The longer you hold out on strong stocks, the greater your chance of seeing huge returns. Even the stocks with some of the smallest returns add up over decades. I'm not saying that you need to look for stocks with small returns, however, as small returns don't necessarily mean less volatility. Instead, I would consider blue-chip stocks that have a strong history of performance and future success.

CP

One of the best bets you can make for your portfolio is by investing in the railway. **Canadian Pacific Railway** (TSX:CP)(NYSE:CP) is the perfect option as the company has already completed its reinvestment process. This makes it an ideal time to pick up the stock ahead of future strong returns from cutting back and reinvestment.

CP also has a strong history of growth even during market downturns. If you look at its historical performance, even during the Great Recession of 2008-2009 there was barely a blip on CP's radar. In fact, in the last decade, shares have grown by 514% as of writing. That should bode well for the future, as even when the economy is bad, a company like CP can still do well. People need food, building supplies, oil, and all of these supplies can be shipped by rail. Given that CP is part of a duopoly, that makes this company the perfect investment for your future.

Fortis

Another company that will help you come out on top even during downturns is **Fortis** (TSX:FTS)(NYSE:FTS). While other companies are cutting back, Fortis has continued to spend via acquisition, expanding its already strong presence in the United States. The reason Fortis can get away with this? It's part of the utilities industry, providing energy and gas across North America.

Yet again, this means even during a downturn, Fortis should continue to do well. People need to keep the lights on, and that puts Fortis in a prime position for strong and stable growth pretty much no matter what. If we again look at the last recession, we'll see there is hardly a blip on Fortis's historical chart. With growth of 124% in the last decade, those are also some strong returns you could practically guarantee in your future.

Royal Bank

It might seem strange to recommend a bank ahead of a recession, but Canadian banks are different. During the last recession, Canadian banks performed as some of the best in the world. While the share prices may have dipped, those shares rebounded back to pre-recession prices within a year. If you're looking to buy and hold, that's a pretty solid way to make sure you'll make it out the other side.

In this case, I would consider **Royal Bank of Canada** (TSX:RY)(NYSE:RY) as the best option for your buy-and-hold investment. That's because the company has a solid presence as the country's largest bank by market capitalization and is still expanding both into the United States and through its wealth and commercial management businesses. Each is highly lucrative, and Royal Bank has proven it's a bank that knows how to make money. The bank has risen 84% in the last decade, and while there might be a blip during a recession, that leaves an ideal time to buy shares and see huge returns for decades to come.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CP (Canadian Pacific Railway)
2. NYSE:FTS (Fortis Inc.)
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5. TSX:FTS (Fortis Inc.)
6. TSX:RY (Royal Bank of Canada)

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