



Investors: 2 Cheap Stocks to Buy and Hold for Decades

Description

As a [long-term thinker](#), you shouldn't let today's ridiculously volatile market keep you on the sidelines. There's no question that the COVID-19 pandemic has paved the way for an unprecedented magnitude of uncertainty. Many hard-hit businesses depend on the timely arrival of an effective vaccine. Given the dependence of many stocks on the outcome of coronavirus-related events, the markets seem more like a gamble than a sound investment.

As a do-it-yourself (DIY) stock picker, however, you can pick your spots and only [swing at the pitches you deem perfect](#). As Warren Buffett once said, investing is a game with "no called strikes." You don't have to swing if you don't want to. But if you see a pitch that improves your odds of knocking one out of the ballpark, you should swing.

Consider the following three names that I think are still worth buying, even as the coronavirus blurs the lines between investment and speculation.

CN Rail

CN Rail ([TSX:CNR](#))([NYSE:CNI](#)) is one of those stocks that should be bought on the dip, regardless of what the macro environment looks like. The company has one of the widest moats on the planet and is in a position to grant investors excess risk-adjusted returns over prolonged periods. I guess you could say that CN Rail is the epitome of a sound investment.

There are still short-term uncertainties with the economically sensitive railway. But longer-term investors know that the 'backbone of the North American economy,' always bounces back in a big way when the tides inevitably turn.

At the time of writing, shares of CNR are down just over 8% from the top. The stock has outperformed its peers amid the crisis and is likely to continue doing so as we navigate this recession. The stock sports a higher-than-average 2% yield, and the dividend is poised to continue growing at an above-average rate over the long haul, regardless of what happens next with the coronavirus.

Waste Connections

Waste Connections ([TSX:WCN](#))([NYSE:WCN](#)) is another wide-moat stock that's positioned to continue crushing the TSX Index over the long term. The company provides a necessary service, regardless of the broader economic state.

Bill Gates is a pretty big fan of the waste collection business, and for good reason. The moat on waste collectors is wide. This means that solid profitability growth numbers are essentially secured over the long haul. Like CN Rail, investors should seek to buy shares of WCN whenever they dip, regardless of the circumstances.

Shares of WCN sold off over 27% on the fear-driven coronavirus crash, but were quick to bounce back. They surged over 25% in around two months, as investors came to their senses. They realized that it's illogical for such a recession-resilient business to have crashed as it did.

Today, Waste Connections is looking fully-valued. But if you're a long term investor, I'd take the modest discount on shares today. I'd rather not take a chance on some of the more speculative, difficult-to-value names out there.

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1. Coronavirus
2. Investing
3. Stocks for Beginners

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2. NYSE:WCN (Waste Connections)
3. TSX:CNR (Canadian National Railway Company)
4. TSX:WCN (Waste Connections)

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Date

2025/08/25

Date Created

2020/05/26

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