



3 TSX Stocks You'll Never Have to Sell

Description

Long-term investing is one of the best ways Canadians can save, grow, and compound their money. Most people know the name of the game is to buy low and sell high. However, what if you never had to sell a **TSX** stock?

As investors, we look to buy high-quality businesses while they are trading undervalued and hold them for a long period while their value is slowly realized.

However, some stocks are so high quality, have such strong growth businesses, and are continually creating more potential for themselves that investors may never have to sell them.

Even Warren Buffett, the world's greatest investor, has referenced that at his company, **Berkshire Hathaway**, management's favourite holding period is forever.

Here are three of the top TSX stocks that you could buy today and never have to sell.

TSX railroad stock

Railroads have always been a great investment. The top railroad stock on the TSX and possibly all of North America is **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)).

Railroads have substantial competitive advantages in the transportation industry, providing ultra-cheap shipping. CNR especially has been one of the top TSX stock for decades.

In the last 20 years, the stock has increased by more than 1,500%. And since the last recession, just over 10 years ago, the stock has increased more than 420%.

One reason for its massive share price growth is due to CNR nearly doubling its operating earnings over the last decade. That's extremely impressive for a massive \$84 billion company like Canadian National.

That growth is a main contributor to CNR's growing dividend. However, despite increasing the dividend each year, it only yields about 2%. This is because CNR pays out less than half its earnings and reinvests the rest in more growth potential.

Canadian National is the top TSX stock to have in your portfolio forever. The stock was a buy 20 years ago, it's a buy today, and it will continue to be a buy well into the future.

Consumer staples

Another high-quality TSX stock to buy today is **Alimentation Couche-Tard** (TSX:ATD.B).

The first reason to buy ATD today is because it's a [consumer staple](#) company. Couche-Tard owns convenience stores and gas stations.

These businesses generally have inelastic demand for most goods and services sold, which makes them highly defensive. However, shutdowns did affect the fuel supply industry, with so many people stuck at home.

Couche-Tard, though, has shown it's built a strong enough business to withstand headwinds like this. On top of the significant growth it's achieved over the years, the stock has also managed to build a competitive moat for itself.

Up until now, the majority of Couche-Tard's growth has been through acquisition. As of late, however, management has been shifting a lot of focus on organic growth.

However, with its strong financial position and trouble the industry is facing, I wouldn't be surprised to see Couche-Tard pick up its M&A activity if it sees high-value deals.

Going forward, you can continue to see more of the same from Couche-Tard, which is why it's a stock I'd buy today and hold for a while.

TSX telecom stock

Telecom continues to become one of the most important industries in our economy. This makes the industry ideal for core stocks to hold forever, as the industry continues to grow in importance.

And the best stock of the telecoms is definitely the biggest: **BCE** ([TSX:BCE](#))([NYSE:BCE](#)).

BCE is attractive for several reasons. It has enormous competitive advantages, a highly resilient business model, and, most importantly, the company is a cash cow.

Most TSX stocks have suspended capital expenditures this year to help support their free cash flow, which is taking a major hit from the coronavirus. The one stock that isn't doing that is BCE. It's continuing forward with its nearly \$4 billion in growth spending.

This goes to show how strong BCE's business is. And what does all that cash flow and growth lead to? A continuously increasing dividend.

It's no wonder why BCE is one of the top Dividend Aristocrat stocks on the TSX and has already [raised its dividend](#) this year.

Bottom line

Finding top TSX stocks you can hold onto forever is a promising investment strategy, especially in this high-risk market environment.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:CNI (Canadian National Railway Company)
3. TSX:BCE (BCE Inc.)
4. TSX:CNR (Canadian National Railway Company)

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