



## Aim for a \$1 Million TFSA With These Cheap TSX 60 Stocks

### Description

For many young investors who've continued to contribute to their Tax-Free Savings Accounts (TFSAs) over the years while systematically investing the proceeds in high-quality TSX 60 stocks, a \$1 million TFSA isn't just some pipe dream; it's an achievable goal that can be reached over the course of just a few decades through the power of long-term, tax-free compounding.

This piece will look at two wide-moat TSX 60 stocks that have consistently beaten the **TSX Index** in the past and will likely continue doing so over the next decade and beyond, as their high barriers to entry continue to fend off the competitive forces that are hungry for a slice of their economic profits.

Without further ado, consider picking up shares **CN Rail** ([TSX:CNR](#))([NYSE:CNI](#)) and **Waste Connections** ([TSX:WCN](#))([NYSE:WCN](#)) today if you're looking to build your wealth at an above-average rate over the decades en route to the \$1 million TFSA milestone.

### CN Rail: A TSX 60 profit train with a ridiculously wide moat

CN Rail has a ridiculously wide moat, with a rail network that spans all three North American coasts. The company also has a brilliant management team that's capable of improving its operational efficiencies, even through tough economic times. Most recently, CN Rail improved its operating ratio (lower is better) by 150 bps to 65.7%, despite the latest bout of headwinds that included rail blockades and the economic hit brought forth by the coronavirus.

While [COVID-19-related disruptions](#) are likely to suppress CN Rail's results moving forward, the company is in a spot to come roaring back once the tides turn, as it maintains its solid margins. CN Rail has been through its fair share of crises in the past, and every time, it's bounced back in a big way, rewarding its long-term shareholders who've stayed the course.

So, if you're looking for a stock to buy and hold forever amid this barrage of volatility, consider scooping up CNR while it trades at a modest discount.

## Waste Connections: Turning trash into cash

Waste Connections is in the business of turning trash into cash. The integrated waste services company has a recession-resilient operating cash flow stream that's effectively allowed its stock to have one of the smoother upward rides over the years.

The company provides a necessary service to the communities it serves. With a minimal amount of competitive forces to worry about, TFSA investors looking to buy and hold forever can do so with the name without having to worry about up-and-coming competitive threats that stand to weigh on the firm's ability to rake in economic profits over time.

The company has a remarkably [wide moat](#), and it's getting wider with time with every acquisition the firm makes. Over the past three years, Waste Connections has pulled the trigger on over 50 deals and with a stellar liquidity position (1.84 and 1.98 quick and current ratios, respectively) amid the coronavirus crisis; the company now has a chance to bag some even bigger bargains in the waste-collection scene.

## Foolish takeaway for those looking to hit the \$1 million TFSA milestone

You don't need to risk your shirt on speculative assets to build a \$1 million TFSA. It's as simple as buying and holding shares of proven wide-moat businesses and holding them for decades at a time. CN Rail and Waste Connections have some of the wider moats on the TSX 60 and are great buys on any modest dip, regardless of where the pundits on TV think the economy or markets are headed next.

### CATEGORY

1. Coronavirus
2. Investing
3. Stocks for Beginners

### TICKERS GLOBAL

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

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