2 TSX Stocks to Hold Forever

Description

The healthcare sector has been explosive in the face of the COVID-19 pandemic. Recently, I'd discussed some of the top performers in this space. Today, I want to look at two TSX stocks connected to the healthcare sector. These stocks are worth buying and holding for the long term. Let's jump in.

Jamieson Wellness: Why this TSX stock is worth holding for decades

Jamieson Wellness (TSX:JWEL) is a Toronto-based company that develops, manufactures, distributes, sells, and markets natural health products in Canada and around the world. Shares of this TSX stock have climbed 50% in 2020 as of close on September 18. Meanwhile, the stock is up 65% year over year.

While the COVID-19 pandemic has throttled some sectors, it has boosted demand in the nutrition and supplements market. This is great news for Jamieson. Grand View Research recently projected that the global dietary supplements market will reach $230 billion by 2027. This would represent a CAGR of 8.2% over the forecast period stretching from 2019 onward.

The company released its second-quarter 2020 results on August 12. Revenues in the Jamieson Brands segment increased 22.2% year over year to $13.5 million. This growth was powered by increased demand due to the pandemic. Predictably, the crisis has inspired a jump in health consciousness. Jamieson was already benefiting from an aging population. It has bolstered its advantage in this environment.

This TSX stock is pricey right now with a high price-to-earnings (P/E) ratio of 48. Moreover, its Relative Strength Index (RSI) last closed at 55. Jamieson is outside of technically overbought territory, but value investors may want to exercise patience. I love Jamieson for the long haul, but opportunistic investors can afford to wait for a dip in a hot market.

Another top stock to watch in the healthcare space

Savaria (TSX:SIS) is a Laval-based company that designs, engineers, and manufactures products for personal mobility in Canada, the United States, and globally. This TSX stock has increased 12% so far this year. Shares are up 33% from the prior year.

This is another TSX stock that is well positioned to grow due to an aging population. Another forecast from Grand View Research projected that the global personal mobility devices market would achieve a CAGR of 6.5% from 2020 to 2027.

In Q2 2020, the company delivered adjusted EBITDA growth of 1.8% to $14.5 million. Its theme, “Stay at Home with Savaria,” is designed to resonate with consumers during the pandemic. Savaria anticipates that increased investment in Canadian homes will boost spending on its own products. This includes products like home elevators.

Shares of Savaria last possessed a P/E ratio of 27 and a P/B value of 2.8. This puts the stock in solid value territory relative to industry peers. Moreover, the company boasts an immaculate balance sheet. Better yet, Savaria offers a monthly dividend of $0.04 per share. This represents a 3.1% yield. Savaria is well worth holding onto for the long haul.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:JWEL (Jamieson Wellness Inc.)
2. TSX:SIS (Savaria Corporation)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Tags

1. Editor's Choice

Date
2025/08/21
Date Created
2020/09/21
Author
aocallaghan