



Got \$3,000? 3 Stocks You Can Buy and Hold Forever

Description

Buying and holding fundamentally strong stocks for long can generate a significant amount of wealth as equities outperform other asset classes over time. For instance, on average, **Enbridge** has generated an annual [shareholder return](#) (share price appreciation plus dividend payments) of 15.8% from 1995 to 2019, implying a \$3,000 investment in Enbridge stock during that period would turn into \$101,420, thanks to the power of compounding.

So, if you have patience and can give your investment time to grow, consider buying these three top **TSX** stocks that could make you a fortune in the long run.

Buy shares of this air cargo company

Cargojet ([TSX:CJT](#)) is one of the top TSX-listed stock that has consistently created wealth for its investors over the past several years. Its stock has gained over 800% in the last five years, implying a \$3,000 investment in its stock five years back would now be worth \$27,000.

The rally in Cargojet stock continued in 2020, and the uptrend is likely to sustain, thanks to the multiple growth catalysts. Cargojet continues to benefit from sustained demand for air cargo and its ability to stay relevant to evolving businesses like e-commerce.

Further, the company's high customer retention rate, expansion of its network and fleet size, and next day delivery capabilities to over 90% of the Canadian households provide a solid foundation for outsized growth in the coming years. Notably, most of Cargojet's domestic revenues have contractual arrangements that guarantee minimum revenue with inflation indexation. Also, it has cost pass-through provisions that serve as a hedge.

Cargojet's strong fundamentals and sustained momentum in its business make it a perfect long-term stock.

A leading e-commerce company

The structural shift toward the omnichannel payment platform has presented significant growth opportunities for commerce-enabling company **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). The company's digital products are in high demand, driving its customer base and gross transaction volume on its platform.

As small and medium-sized retailers and restaurant operators rapidly adopt cloud-based omnichannel POS (point of sale), Lightspeed remains well positioned to benefit from the surge in demand. Meanwhile, expansion into new geographies and launch of new products augur well for growth.

The company's gross transaction volumes are growing at a brisk pace providing an opportunity to increase its average revenue per user. Meanwhile, its recent acquisition of ShopKeep is likely to expand its market share further and accelerate its growth.

With strong secular industry tailwinds, Lightspeed stock is likely to outperform the broader markets by a wide margin in the long run.

A top TSX gold stock

Kinross Gold ([TSX:K](#))([NYSE:KGC](#)) is another top **TSX** stock that is likely to outperform the broader markets in the long term. The gold mining company is likely to benefit from its growing production profile, favourable gold price trends, and lower costs.

The company projects its production to jump by 20% over the next three years. Meanwhile, its production cost is likely to decelerate during the same period, which is likely to cushion its margins, in turn, its stock.

Further, Kinross Gold stock looks attractively priced at the current levels as compared to its peers. Kinross Gold stock is trading at next 12-month EV/EBITDA multiple of 3.8, which is significantly below its peer group average and offers excellent value.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks
4. Metals and Mining Stocks
5. Tech Stocks

TICKERS GLOBAL

1. NYSE:KGC (Kinross Gold Corporation)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:CJT (Cargojet Inc.)
4. TSX:K (Kinross Gold Corporation)
5. TSX:LSPD (Lightspeed Commerce)

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