



## 2 Warren Buffett Stocks to Buy and Never Sell

### Description

Warren Buffett famously said: “Our favourite stock holding period is forever.” Perhaps that’s why a large portion of his portfolio is in private equity ventures (Dairy Queen, GEICO, etc.). In the private markets you invest in businesses in hopes they will succeed for a very long time. Your investment isn’t based on day-to-day market swings, however; it’s based on performance over years and decades.

Oftentimes, investors in the stock market get enamoured by the daily market swings and news. This can cause investors to be far too shortsighted and fail to recognize the long-term quality of businesses they invest in.

### Warren Buffett loves “forever” stocks

If you want to build long-term wealth like Warren Buffett, you have to find the best companies and then be willing to [hold them for a very long time](#) (or at least as long as they are the best). Time is an investor’s best ally. If you are willing to take that long Warren Buffett approach, here are two stocks that are a perfectly set up for a lifetime of growth.

### Forever stock 1: CP Railway

If you like very long time horizons, then why not consider one of Canada’s oldest and most successful companies? I am talking about **Canadian Pacific Railway** ([TSX:CP](#))([NYSE:CP](#)). It is a true Warren Buffett forever hold stock. For almost 140 years it has been a cornerstone for Canada’s wide-spread economy.

In a fast-paced internet world where competition is fierce, I can’t think of a more boring business with a better competitive moat. In a way, CP is a steady, boring comfort stock for investors.

Unless **Tesla** (or someone else) develops a hyper-loop capable of transporting thousands of tons of goods per trip, I think CP’s moat is pretty safe. What I like about CP is that it is relentless about finding efficiencies and innovating. While its volumes were stunted during the pandemic, it took the opportunity

to invest in route improvements, capital projects, and infrastructure/asset expansion.

It paid off over the summer. CP moved record amounts of grain and agricultural staples across North America. It continued to expand length and weight of its trains in each consecutive quarter this year. While capex has eaten up some earnings this year, investments should pay off as North America recovers out of the pandemic. If Warren Buffett bet on one of America's largest railroads (BNSF), I'd be willing to take a bet on Canada's best rail operator.

## Warren Buffett forever stock 2: Enbridge

If I were to suggest another Warren Buffett stock to buy now and hold forever, it would have to be **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). Its pipelines and assets play a crucial role in the North American energy industry, and for the economy in general. Enbridge transports almost 25% of North America's oil. Like CP, its assets are difficult and costly to replicate. This is especially true in a world where it is almost impossible to construct new pipelines.

Yet, the fact is, we need energy. Society still has a long way to back fill our energy usage with renewable technologies. Consequently, Enbridge will remain relevant for a long period of time. Warren Buffett was criticized for purchasing a network of natural gas pipelines this summer. Yet, as the world rebounds from COVID-19, his energy bet will pay off as cyclical gain investment favour again. I think the same will occur for Enbridge.

Today, the stock yields a whopping 7.76%! Enbridge just raised that dividend 3% on Monday. Enbridge certainly wouldn't be raising that dividend if they thought they might lower it any time soon.

The stock is still cheap, its business is incredibly stable, with great opportunities to even become a renewable energy leader as well. All combined, Enbridge is a great Warren Buffett [buy-and-hold-forever stock](#)!

### CATEGORY

1. Dividend Stocks
2. Investing
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### TICKERS GLOBAL

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2. NYSE:ENB (Enbridge Inc.)
3. TSX:CP (Canadian Pacific Railway)
4. TSX:ENB (Enbridge Inc.)

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### Author

robbybrown

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