



2 Long-Term TSX Stocks With Significant Value!

Description

These days after a highly eventful 2020, many **TSX** stocks are trading at premium valuations. Investors have been forward looking towards a recovery, resulting in several stocks trading at prices that are higher than even before the pandemic.

While some of these valuations are warranted, other stocks are undoubtedly overvalued. And with uncertainty still at heightened levels, there is a significant amount of risk.

In addition to these high-valuation stocks having increased risk in a market crash, there's also not much upside left, even if the reopening of the economy does go smoothly.

So, investors have had to look elsewhere for growth, with several turning to high-risk growth stocks that have been subject to major speculation. These are also stocks you want to avoid.

Instead, investors need to focus on long-term investing. It's going to be a lot more difficult to find high-quality, long-term TSX stocks with attractive valuations in 2021. However, they are out there.

Here are two of the top long-term stocks to consider today.

Telecom stocks are perfect for the long term

Some of the best long-term businesses you can own are [telecom stocks](#). Telecommunications is an extremely defensive industry at the heart of the economy.

There are several high-quality telecom stocks to own long term on the TSX. However, the best choice today is **BCE** ([TSX:BCE](#))([NYSE:BCE](#)).

BCE is the largest telecom in Canada with strong diversification in its operations. This has been a key reason why the TSX telecom stock has been so robust through the pandemic.

Its media segment has been impacted the most. However, that accounts for only a small portion of

BCE's total operations. Its wireless and wireline segments make up the bulk of its business and have been a lot more stable.

This stability is the main reason why BCE is the type of long-term stock you want in your portfolio. It's such an important company in the Canadian economy; there was never a question the pandemic was any risk to its business long term.

That's why the stock was a lot less volatile than the rest of the market in the coronavirus pandemic and can continue to offer investors protection of their capital. Plus, it currently offers a dividend that yields upwards of 6%, making an investment today all the more appealing.

BCE is not a TSX stock that will grow your capital rapidly. Instead, it's a perfect core stock for your portfolio, one you can buy today and never sell.

A top TSX tech stock you'll want to own forever

The other top long-term TSX stock to consider today is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)).

Although [Shopify](#) is not as cheap as a stock like BCE, it still offers incredible value for long-term investors. Shopify has changed the game and is so dominant in the e-commerce space that this valuation is warranted.

I wouldn't expect the same level of growth that investors have seen in the past, especially given its size. However, it should become a lot more of a staple and a great stock to give investors tech exposure.

E-commerce got a big boost when the pandemic hit, and while this will inevitably ease slightly after the pandemic, the long-term potential of the industry is only beginning.

That's why you'll want to make a long-term investment in Shopify today. This will allow you to gain exposure to one of the most dominant TSX tech stocks there is, as e-commerce continues to develop.

Bottom line

These long-term businesses should be at the core of your portfolio and held for years. They will not only provide you significant capital appreciation for decades but, because they are so defensive and dominant, will protect your capital as well.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:SHOP (Shopify Inc.)

3. TSX:BCE (BCE Inc.)
4. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

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

Category

1. Dividend Stocks
2. Investing
3. Tech Stocks

Date

2025/08/27

Date Created

2021/01/13

Author

danieldacosta

default watermark

default watermark