



## Revealed: 2 of the Best Canadian Stocks to Buy and Hold Forever

### Description

You don't need to look far to find the best Canadian stocks to buy and hold forever. Warren Buffett's favourite holding period on stocks he truly loves is forever. Yet, in an age of profound technological disruption, it can be tough to spot businesses that can defend their share of economic profits for decades at a time. As such, I believe it's wise to buy, hold, and continue putting in [ample due diligence](#) to ensure one doesn't suddenly find themselves holding onto shares of a company standing to suffer from a bad case of moat erosion.

Even the soundest investment thesis can change with time. Just ask Warren Buffett, who's seen numerous companies come in and out of fashion over the decades. That's why it's vital to stay up to date on your investment theses while doing your best to block out the short-term noise.

### Insist on wide and durable moats

In this piece, we'll have a closer look at three Canadian stocks that I believe have moats that are wide enough and durable enough such that they'll be able to grow over the next 10 to 15 years. Moreover, each name, I think, is more than capable of defending its share of economic profits despite the rise in disruptive forces.

Following the recent market pullback over U.S. President Joe Biden's plans to double the capital gains taxes on wealthy American investors, I think now is a terrific time to get a nice, unwarranted discount on some of the best merchandise on the **TSX**. Tax policy changes don't change the fundamentals, and the following names, I believe, are top picks right now.

### Shopify

Jitters over capital gains tax hikes have many American investors hitting the sell button on some of their biggest winners. **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) stock wasn't spared, as the name plunged 4.2% on Thursday, bringing the e-commerce kingpin down 27% from its February 2021 high.

As one of the bigger 2020 winners, Shopify stock is being punished for all the wrong reasons. The company is a disruptor, and it's leveraging incredible technologies to spread its wings across the SMB e-commerce market, which is still lightly penetrated.

Under the leadership of its brilliant found and CEO Tobias Lütke, Shopify is bound to build on its strength on the other side of this pandemic. The company's growing lineup of offerings will act as high barriers to entry over the next decade, and if it can continue keeping **Amazon.com** at bay, I suspect the rewards could be huge for those willing to hang onto the name for decades at a time.

At nearly 50 times sales, Shopify stock isn't cheap, but I think it's undervalued relative to the calibre of growth you'll be getting from the name.

## Alimentation Couche-Tard

**Alimentation Couche-Tard** (TSX:ATD.B) is another wide-moat company with a massive total addressable market (TAM) that it'll be going after over the next decade. The global convenience store scene is fragmented, and it's overdue for some serious updates.

Couche-Tard isn't just another run-of-the-mill brick-and-mortar retailer. I like to view it as a tech company that's well-equipped to evolve with the new age of convenience retail. With more than enough cash and credit to modernize its c-stores while going on the hunt for a large-scale grocery acquisition, I think investors are misunderstanding Couche stock and think there's immense value to be had by those willing to go against the grain with the name.

The stock trades at 0.8 times sales and 13.8 times earnings, not at all indicative of a [growth](#) stock. But make no mistake, Couche is a growth stock; many investors just haven't realized it yet.

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