



The 3 Best Canadian Stocks I'd Buy and Hold for the Next 10 Years

Description

The continued uncertainty over the pace of economic recovery and heightened volatility in the market makes it tough to find quality long-term stocks. However, a few well-known Canadian companies have consistently reported solid financial and operating performance and remain well positioned to deliver stellar returns over the next decade.

Their strong competitive positioning, large addressable market, and multiple growth catalysts provide a solid base for growth and make them perfect long-term bets.

Cargojet

Cargojet ([TSX:CJT](#)) has consistently multiplied its investors' wealth and delivered sky-high returns over the past decade. Its stock has surged nearly 2,800% in the last 10 years, thanks to its robust financial and operating performance. However, it has witnessed a pullback on expectations that the boost from the pandemic is over.

Notably, Cargojet witnessed a surge in international demand, while e-commerce and healthcare-related volumes increased significantly amid the pandemic. I remain upbeat on Cargojet stock, despite the expected moderation in demand. I believe Cargojet remains well positioned to benefit from its long-term customer contracts. Its expansive national network and next-day delivery services to most Canadians provide a strong competitive advantage and are likely to boost its revenues and margins.

I expect e-commerce-related volumes to remain high and support its top line. Meanwhile, its ability to increase prices annually, focus on optimizing its fleet utilization rate, leadership in the domestic market, and international growth opportunities position it well to deliver strong returns.

goeasy

goeasy ([TSX:GSY](#)) is another top long-term bet that has delivered stellar returns in the past and has the potential to make its investors very rich. Its stock jumped over 300% in one year. Further, it has appreciated by about 2,061% in 10 years. Also, it has paid a dividend for 17 years in a row and increased it by a CAGR of 34% in the last seven years.

I believe economic expansion, recovery in customer demand, and continued growth in its loan portfolio are likely to drive double-digit growth in its top line. Moreover, channel and product expansion, a large lending market, and increased penetration of secured loans are likely to support its revenues and margins.

goeasy expects its revenues to increase by 12.5-14.5% in 2021. Further, it expects its top line to grow at a double-digit rate in 2022 and 2023 as well. With the growing average loan size, risk-based pricing, and focus expense management, goeasy's operating margins are likely to expand. Meanwhile, its bottom line could continue to grow at a [breakneck pace](#) in the coming years. goeasy is also expected to hike its dividends at a strong double-digit rate, reflecting solid growth in its earnings.

Shopify

Despite the expected normalization in the pace of shift towards the e-commerce platforms, [I am bullish](#) on **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). I believe the spending on e-commerce platforms to continue to increase, while its growth initiatives position it well to capitalize on the solid secular industry tailwinds.

Its expansion of the fulfillment network, the addition of multiple marketing and sales channels, rising international footprint, and increased adoption of its multi-currency POS software bode well for future growth. Furthermore, cross-selling opportunities, value-added products, and operating leverage are likely to support its sales and margins.

Shopify stock has witnessed a healthy pullback and is looking attractive at the current price levels.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Investing
5. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:CJT (Cargojet Inc.)
3. TSX:GSY (goeasy Ltd.)
4. TSX:SHOP (Shopify Inc.)

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