



2 of the Best Canadian Stocks to Buy Today and Never Sell

Description

Right now, it is difficult to know which Canadian stocks to buy and which ones to sell. Last year, [tech stocks](#) playing into e-commerce, the work-from-home trend and the pandemic were major winners. Now, many of those stocks have had negative returns in 2021. In contrast, stocks that were destroyed in the March market crash (like cyclicals, financials, and energy) are now rallying to 52-week highs.

Always have some diversity in your portfolio

Amid such an uncertain and unusual market environment, it's vital to have a well-balanced, diversified portfolio. Don't just throw away your growth stocks because they are underperforming. Rather, add some exposure to other segments of the market.

The most important key is to think long term in times like this. Purchase stocks with great businesses and strong balance sheets with attractive fundamentals today and for the future. When you own good-quality businesses, your best action plan is often to do nothing at all. Just buy, hold, and hold some more. Given this, here are two Canadian stocks I believe you could buy right now and plan to hold for a very long time.

This top stock is a staple for every Canadian's portfolio

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) is a really attractive Canadian stock to own today. When you own this stock, you're owning a piece of a very diversified portfolio of alternative and hard assets across the globe. If you don't have a lot of money for multiple stock positions, BAM is a great natural diversifier.

It manages alternative assets like infrastructure, real estate, renewable power, private equity, specialized debt, and insurance. In a way, it is like the **Berkshire Hathaway** of Canada, but with a focus on hard assets. I like this stock for two reasons.

First, when the economy is strong, it can [harvest mature assets](#) at a high premium. In its recent quarter

alone, funds from operation (FFO) per share jumped 227% over last year. This was largely due to asset sales and the realization of carried interest.

Second, when markets take a turn for the worse, Brookfield is generally there to pick up assets on the cheap. It is not afraid of unloved assets. Due to its solid balance sheet and long time horizon, it can afford to be a contrarian. This strategy has worked for years, and I believe it will continue to be successful going forward.

Buy and hold this Canadian telecom stock for forever

Telus ([TSX:T](#))([NYSE:TU](#)) is a Canadian dividend stock I believe you can buy and never sell. While many consider this a boring telecom stock, I believe its investment thesis is heating up.

First, Telus recently accelerated its capital spend for 2021, which will help it integrate fibre optic across its network. Similarly, these projects will help support the 5G rollout across its network. While infrastructure spending will remain elevated in 2021, Telus believes these investments will accrete significant adjusted EBITDA and free cash flow growth in 2022 and beyond.

Second, Telus has steadily been working to become a digital leader in Canada. Instead of buying costly media or sports businesses (like its peers), Telus has been investing excess cash flows into fast-growing digital verticals. **Telus International**, a digital customer experience business, was just spun out of Telus in February 2021. It was the largest Canadian technology initial public offering (IPO) in history!

Telus is also building up digital verticals in virtual health, agriculture, and security. Each of these businesses could be substantial in their own right over the next few years. Yet, they are hardly factored into Telus's stock price today. While this Canadian stock pays an attractive 4.7% dividend, I believe it has attractive capital upside as well.

Buy it, hold it, and forget about it. This stock should produce strong combined total returns for years to come.

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