



Invest and Grow Rich: 3 Top Stocks to Buy and Hold Forever

Description

Nothing lasts forever, but here are three **TSX** stocks to buy and hold forever. In the stock market, the definition of forever is a lifetime of 30 at the most 40 years. In his book titled, *Managing Corporate Lifecycles*, management expert Ichak Adizes shows how a company is mortal like a human.

Which is the right stage to buy and hold a stock?

A company goes through [10 stages](#), starting from being a thought to prime to aristocracy to death. A growth stock is the one in which the company is in its prime stage. Its revenue and profits are growing. The right time to buy a stock is when it is in its growth stage and hold it till it is in the aristocracy stage. If the company goes beyond that stage, it enters a free fall.

For instance, **GameStop** and **Eastman Kodak** are in the decline stage where their business has matured. The companies themselves are squeezing out as much cash as they can. Hedge funds are making money on such stocks by betting on their decline. These mature stocks become a playing field for Redditors. But Redditors dare not touch the stocks that are in their prime. And those are the stocks you should buy and hold forever.

But remember, the company's age has nothing to do with the stage at which it is.

Descartes stock

Founded in 1981, **Descartes Systems** ([TSX:DSG](#))([NASDAQ:DSGX](#)) is in its prime stage. It continues to grow its business steadily. Its software-based logistics and supply chain management (SCM) solutions are in strong demand. Allied Market Research expects the SCM market to rise at a compound annual growth rate (CAGR) of 11.2% between 2020 and 2027. The e-commerce boom is fuelling SCM demand, and Descartes is one of the beneficiaries. That explains Descartes' stock's 30% growth last year.

Descartes's stock has been growing at a CAGR of 20% for the last five years; give the stock 11 years and it could convert \$5,000 to \$60,000 as it did between 2010 and 2021. Even if I expect the stock to give half this growth in the coming 10 years, it is a sevenfold growth, a good start for wealth creation.

SmartCentres REIT

Most wealthy people invest in real estate as it provides a good inflation hedge. Even Donald Trump made his wealth from real estate. **SmartCentres REIT** ([TSX:SRU.UN](#)) can give you exposure to a diversified real estate portfolio. It is shifting from a retail-dominant portfolio to office, residential, and multipurpose properties.

As a shareholder, the REIT gives you rental income in the form of dividends. The more properties it builds and rents, the higher the dividend. However, the REIT is still in the growth stage. Canada's property rates will continue to rise and so will the rent. The REIT has the potential to increase dividends also give capital appreciation in the next 10 years.

Magna stock

Magna International ([TSX:MG](#))([NYSE:MGA](#)) has been supplying automotive components for over 50 years. Over these years, it grew, stabilized, and matured. But now it is back to its prime stage. The new CEO Seetarama Kotagiri is looking to make Magna the go-to partner for automakers and tech companies. The company's design and tech and Magna's components and manufacturing capability could make automotive assembly as efficient as chip and smartphone manufacturing.

Magna is on track to become the **TSMC** and Foxconn of electric and autonomous vehicles. Magna has the [potential](#) to grow your money several folds in the coming decade. As its growth progresses, it could probably convert \$5,000 to \$60,000 by 2031.

Investor takeaway

The above three stocks have the potential to grow till 2030 and beyond. They can bet inflation and convert your investments into wealth in 10 years.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)
2. NYSE:MGA (Magna International Inc.)
3. TSX:DSG (The Descartes Systems Group Inc)
4. TSX:MG (Magna International Inc.)
5. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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

2025/07/05

Date Created

2021/06/24

Author

pujatayal

default watermark

default watermark