



2 TSX Stocks to Buy and Hold for 20 Years

Description

Long-term holdings is a phrase often used in association with stocks and refers to companies that investors prefer to hold for years and even decades, usually for their consistent and reliable capital appreciation potential. But that's not all. The concept of long-term holdings is more than just about stretching the timeline. It's also about ignoring temporary fluctuations and dips.

Even if you limit yourself to blue-chip stocks and some of the most stable organizations currently trading on the **TSX**, you will likely see several dips and spikes. And if you don't have the right long-term investing mindset, you might try to exit a position just to cut your losses, which might not only impact the growth you've accumulated so far but also mitigate the long-term holding potential it offers.

So unless a good company goes through fundamental changes that turn it into a business that you believe is no longer profitable or a good fit for your portfolio, it might be a good idea to hold some of them for a couple of decades. Two such companies would be **TerraVest Industries** ([TSX:TVK](#)) and **Capital Power** ([TSX:CPX](#)).

An energy company

TerraVest is an energy-sector-oriented [industrial stock](#) that offers a decent range of products to both consumers and other businesses (usually energy companies). It develops hydrocarbon (both liquid and gas) storage and transportation solutions, water tanks, custom industrial equipment, energy processing solutions, and heating products for commercial and residential users.

Thanks to a decent spread when it comes to its products and services, the company didn't suffer along with the energy sector, and the stock is almost constantly on the rise since 2012. It comes with a robust five-year compound annual growth rate (CAGR) of 28.9% and a modest 2% yield at a relatively attractive valuation. If the company can sustain even half of its five-year CAGR (14.45%) for the next two decades, it can turn your \$10,000 capital into a \$148,000 nest egg.

An independent power generation company

[Capital Power](#) is an Edman ton-based independent power generation company that has been making significant strides in going green. It's expected to go coal-free by 2024, which seems ambitious but also realistic since about 30% of the energy is generated in 2020 came from dual-fuel powerplants that run on both coal and natural gas.

By 2025, the company is expected to produce one-third of its power using renewables and the rest using natural gas. The stock has been performing quite well since the middle of 2016, and it's expected to keep growing steadily for the next one or two decades, as both the U.S. and Canada slowly get rid of coal and switch to cleaner alternatives. It's also a well-established Dividend Aristocrat that's currently offering a juicy 5% yield.

Foolish takeaway

Both Capital Power and TerraVest are poised for long-term growth. If you make substantial investments in the companies, keep an eye out for any significant changes (like restructuring and acquisitions). And, if you don't get scared by temporary fluctuations and dips, the two [growth stocks](#) might make help you grow a decent-sized nest egg in two decades.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. TSX:CPX (Capital Power Corporation)
2. TSX:TVK (TerraVest Industries Inc.)

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