



2 Canadian Stocks You Can Buy and Hold Forever

Description

Having the ability to find the right [high-quality companies](#) and holding them for the long haul is one of the best ways to set yourself up for success as an investor. Many new investors try to time the market or make quick trades in and out of positions in companies to attempt to capture quick profits. Unfortunately, these decisions result in more harm than good for investors.

If you want to create sustainable wealth for yourself, finding forever stocks to buy and hold in a [Tax-Free Savings Account](#) (TFSA) is the ideal approach to stock market investing. Today, I will discuss two such stocks that you can buy and hold for the long haul.

Brookfield Asset Management

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) boasts the reputation for being one of the top assets to buy and hold for the long run to enjoy compounded returns. Brookfield Asset Management has provided its investors with an average of 15.88% returns each year since 1995. Its returns reflect almost three times the returns that the broader stock market has provided investors in the same period.

The company invests in and operates real assets, including infrastructure, real estate, and renewable energy assets. Due to the diversified nature of its assets, it would be wise to keep a close eye on the company's financial reports. Brookfield Asset Management boasts a top-notch management team that knows how to find and acquire high-quality assets to boost the company's cash flows.

Trading for \$71.47 per share at writing, it could be a stock well worth buying and holding onto for the long haul.

Scotiabank

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is one of the Big Six Canadian banks, and it is a top stock for investors with a long investment horizon. Canadian banking stocks operate in a highly

regulated industry that makes it challenging for new competitors in the banking sector to displace the leading operators.

While you cannot go wrong with picking any of the top banking stocks, Scotiabank is an ideal stock pick due to its massive upside potential.

Scotiabank has established a strong presence in the countries that constitute the Pacific Alliance. The region includes countries like Chile, Mexico, Peru, and Columbia. The region is expected to grow much faster than the G7 countries in the coming years due to the rapidly growing middle class that these countries boast. Such a development could see Scotiabank enjoy a massive boost to its revenues, which the bank will reflect in shareholder returns.

The stock is trading for \$79.80 per share at writing and boasts a juicy 4.51% dividend yield — another reason why it's an attractive asset to buy and hold for the long run.

Foolish takeaway

Adding long-term buy-and-hold stocks to your TFSA portfolio can help you truly benefit from the tax-sheltered status of the account type to enjoy sustainable and long-term wealth growth. Since you use after-tax dollars to store investments in your TFSA, the Canada Revenue Agency (CRA) does not deduct any taxes from the earnings inside the account. Additionally, withdrawals from your TFSA are also tax-free.

Allocating the contribution room in your TFSA to [high-quality dividend stocks](#) can help you generate significant tax-free returns as long as you remain invested through dividend income and capital gains. Scotiabank stock and Brookfield Asset Management stock could be ideal stocks to begin building such a portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

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2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BN (Brookfield)
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