



## 2 Canadian Stocks I'm Never Selling

### Description

It's rare to find a stock you'll *never* sell. Some investors buy for the short term; others, for the long term. But few truly have stocks they plan to hold forever. Personally, I aim for holding periods of 10 years or longer, but I rarely truly say that I will *never* sell a given stock. However, there are a few stocks I'm willing to make exceptions for — particularly dividend stocks. If a stock pays out a part of its profit as cash income, then there is no need to ever sell it. And if the business that stock is built on is a good one, then it may warrant being held forever. With that in mind, here are two Canadian stocks I never plan on selling.

### TD Bank

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is a Canadian bank stock that I've held for about three years. I bought it at several different points over that period. My best buy was in March 2020, near the bottom of the COVID-19 market crash. I managed to lock in a 6% dividend yield on that portion of my position.

Why do I like TD Bank so much? There are a few basic reasons:

1. It's among the most geographically diversified Canadian banks, with 33% of its net income coming from the United States.
2. It has a lot of room to grow in the U.S., because it has barely even begun to touch west coast markets like California and Nevada.
3. It's a part owner of **Charles Schwab**, America's largest retail brokerage. In fact, it is the single largest shareholder.
4. It has all the advantages of other Canadian banks like low multiples, a high dividend yield, etc. — despite the massive U.S. presence that makes it quite different from its sister firms.

Apart from all these “big-picture” points, TD's [most recent quarter](#) was pretty solid. In it, net income grew by 58%, and adjusted net income grew by 56%. Part of that was due to COVID-related PCL build in the comparable prior year quarter. But revenue growth was positive as well, so there is reason for

optimism here.

## CN Railway

**Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)) is another Canadian stock I have no plans of ever selling. This is the first stock I acquired in the process of building my current portfolio back in 2018.

Why am I still optimistic about this stock after all these years?

It comes down to safety. CNR is not the kind of stock that's going to deliver explosive returns, but it's a pretty safe bet. Railroads are staples of the economy. Rail is the cheapest way to transport goods over long distances by land, so rail companies always lock in a lot of business. They're the go-to way to transport grain, coal, and timber, and they are the second most popular way to transport crude oil (after pipelines).

So, railroads [tend to grow with the broader economy](#). The goods they ship are indispensable, and as long as the economy grows, their shipping volumes will also grow.

CN's most recent earnings bore this fact out. In the most recent quarter, revenue and earnings both grew by double digits, showing that the company was beginning to recover from the COVID-19-related losses it took. We're still not totally out of the woods yet, but things are looking up.

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1. Editor's Choice

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1. NYSE:CNI (Canadian National Railway Company)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:CNR (Canadian National Railway Company)
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andrewbutton

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