



RRSP Investors: 2 Stocks to Buy Today and Hold Forever

Description

A Registered Retirement Savings Plan (RRSP) is a great place to hold investments with a long-term time horizon. The stock market is one of your best bets if you're looking to earn compounded growth on those long-term investments.

One luxury of investing for the long term is that you don't need to let the market's current valuation worry you. Time in the market is much more important than timing the market. Instead of obsessing over finding the lowest possible price to enter a position, long-term investors should be focused on finding high-quality businesses to hold in their RRSP.

The longer you're invested, the more you can benefit from compounded gains. So, when searching for potential stocks to own in your RRSP, [growth](#) should be top of mind. Here are two market-beating stocks that deserve a spot in any long-term investor's portfolio.

RRSP investors get instant diversification with this stock

Brookfield Asset Management (TSX:BAM.A)([NYSE:BAM](#)) is one of the top all-around stocks that I'd recommend to a long-term RRSP investor.

The \$115 billion company's broad investment portfolio provides its shareholders with much-needed diversification within their own portfolios. And not only is it well diversified within different industries, but it also has operations spread across the globe. As a result, Canadian shareholders benefit from exposure to much more than just the Canadian economy.

Up 130% over the past five years, the [Canadian stock](#) has more than doubled the returns of the Canadian market in that time. It's also close to a five-bagger over the past decade.

There are several reasons why RRSP investors would want to have this top stock in their portfolio. Shareholders gain exposure to a range of different industries and economies. And if that's not enough, it also pays a dividend to its shareholders.

At a yield below 1%, it's far from the highest dividend you'll find on the **TSX**. But management is committed to growing the dividend, so long-term investors will likely see that yield above 1% by the time they're ready to cash out the stocks their RRSP for retirement.

A top tech stock that's very reasonably priced

After leading the market to a surprising gain last year, the [tech sector](#) has cooled off in 2021. Many tech leaders are trading below all-time highs right now, presenting RRSP investors with lots of great buying opportunities.

The tech sector is still one of the more expensive areas of the market. High price tags are balanced out with the possibility of earning market-beating growth, though, which is what long-term RRSP investors should be in search of.

At over \$2,000 a share, **Constellation Software** ([TSX:CSU](#)) is not a cheap investment. But from a valuation perspective, the tech stock's forward price-to-earnings ratio of 30 is a bargain compared to some of its peers.

Especially considering the growth it has put up in recent years, it's surprising that Constellation Software isn't trading at more of a premium. Shares are up more than five times the Canadian market's returns over the past five years. And the further you go back, the bigger the gains are.

Understandably, growth has slowed in recent years. The \$45 billion company is now much more dependent on acquisitions to help fuel revenue growth, which might explain why it's not trading at a lofty valuation.

Growth is slowing but there's no reason to believe that the tech stock won't continue to outperform the market. Constellation Software is a perfect pick for any long-term RRSP investor that's in search of market-beating growth.

CATEGORY

1. Investing
2. Tech Stocks

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2. TSX:BN (Brookfield)
3. TSX:CSU (Constellation Software Inc.)

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