



1 Canadian Stock Worth Buying and Holding Forever

Description

Few Canadian stocks are truly worth buying and holding for many decades, especially in an era where disruptors threaten to steal away economic profits from incumbent players in any given market.

Undoubtedly, Charlie Munger's old-school [buy-and-hold](#) method has become less popular over the years, thanks to the advent of low (or no) commission on trades and all the apps that "gamify" investing. But long-term investing could still make one rich over the long run while minimizing risks. The longer your time horizon, the less risky a stock, especially one with a distinct tech-savvy edge, will be.

Couche-Tard: A TSX stock I'd be fine holding forever

If I had to pick one Canadian stock that I could [buy and not touch](#) for decades at a time, it'd have to be **Alimentation Couche-Tard** (TSX:ATD.B), an underrated global convenience store giant that still has plenty of fuel left in the tank!

Indeed, many know the firm for its gas stations and convenience stores. As electric vehicles (EVs) continue replacing fuel-consuming vehicles, Couche-Tard has a peculiar shift on its hands. Undoubtedly, the firm will still need to cater to the old-school gas-powered cars, even as more EVs hit the roads in need of charging stations.

The question on the minds of investors and the likely reason for the discount on the stock is whether Couche-Tard's managers are ready for the profound shift on the type of vehicles that'll dominate the roads over the next decade. I think they are. Why? Their Norwegian business is doing just fine. I like to view that market as the U.S. or Canadian market in a few years down the road. With greater EV adoption comes the need to shift the business around. That means more charging stations and a better in-store experience for those waiting a several minutes to get their vehicles fully charged.

Sure, you could argue that one could charge their cars at home. But let's remember that the cost of energy is not free, and the convenience factor could pay in big-time for people who do not want to run a risk of running out of energy before returning home. Indeed, Couche-Tard has an opportunity to

beckon in consumers who are likely to spend more time in their stores.

The rise of EVs: Headwind or tailwind?

That means Couche has an opportunity to really bolster its average revenue per customer. With a tacked-on restaurant, fresh-food grocery items, a cannabis shop adjacent (think **Fire & Flower**) and other high-margin private-label merchandise on display, the opportunity to take operating margins to the next level is there. If the company can execute and take friction out of the checkout process, the rise of EVs and the new age of convenience stores, I believe, is a tailwind — not a headwind, as many think. Of course, there's risk as to how management will react to this new age. I think they'll do a magnificent job. They're some of the most brilliant managers in Canada. And they've enriched many shareholders over the years.

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