



## 3 Canadian Value Stocks I Would Buy and Never Sell

### Description

There is a common myth: investing in the stock market is a full-time job, where you have to daily check market updates, stock price momentum, and your portfolio's performance. While it is a good habit to review your portfolio at regular intervals, it is not necessary to do it daily.

### Stocks to buy and never sell

If you are a value investor like [Warren Buffett](#), you have to review your portfolio maybe monthly or quarterly. You don't see Buffett actively buying and selling stocks every week. His investing methodology is to buy stocks that you would want to hold for a long time — at least 10 years.

Here are three stocks that I would buy and hold for the next 10 years and probably review once a quarter:

- **Constellation Software** ([TSX:CSU](#))
- **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#))
- **BCE** ([TSX:BCE](#))([NYSE:BCE](#))

Such stocks don't need constant review, as they give long-term returns.

### Constellation Software

Constellation Software acquires mission-critical software providers in the niche market that enjoy high cash flows and little competition. It has no limitation on the kind of verticals it targets and is now targeting bigger companies. It is evolving into a mature company by spinning off its subsidiaries like **Topicus** and focusing on improving organic growth.

Constellation Software is one of the most expensive tech stocks trading on the TSX in dollar terms. It cost over \$2,100 to buy just one share of Constellation. You may ask why to buy it. This is a stock that has been giving positive returns for over 10 years. In 2012, one share cost just \$81.6, and anyone who

invested \$10,000 in it now has a portfolio of over \$248,000. All they did was buy once and never sell.

Now, past performance does not guarantee future returns. And as the company grows in size, its growth rate reduces. Constellation's average revenue-growth rate has halved from 36% in 2009-2014 to 15% in 2015-2020. Its stock price growth has also slowed, but it is still growing at an average annual rate of 27%. As Constellation continues with its growth-through-acquisition strategy, its stock price could grow. There will be some acquisition failures and successes, but, overall, the outlook is optimistic.

## Enbridge stock

Enbridge is the pipeline operator paying its shareholders' incremental dividends for over 26 years. With the focus shifting towards renewable energy and funding for [oil and gas development](#) declining, many investors might argue that Enbridge has reached its peak. But this is the beginning of a new phase of growth for Enbridge. Oil and natural gas prices are rising, as the shift to renewable energy creates a gap in energy demand and supply. Natural gas will still be the go-to energy source when renewable energy faces a crunch.

Building new pipelines is becoming difficult, thereby putting more pressure on existing pipelines. That said, existing pipelines could become more valuable, and Enbridge could charge higher toll money. Enbridge is not only monetizing conventional energy but also investing in renewable. As the industry shifts to renewable energy, Enbridge will likely modify its pipelines to transmit renewable energy.

Enbridge is not a stock for capital appreciation, but it is a stock that can pay you dividends for the coming 10 years and beyond.

## BCE stock

Constellation will take care of growth, and Enbridge will take care of [dividends](#). But BCE is a stock that can give you both growth and dividends. The stock surged 55% and increased its dividend at a compounded annual growth rate (CAGR) of 4.7% in the last 10 years. This was the growth 4G brought. The 5G revolution is several times bigger than 4G, as it will go beyond mobile phones and wearables and connect cars, robots, smart cities, buildings, and security cameras to the internet. This would be low-latency connectivity, where the devices will be connected 24/7 to the internet.

BCE could see significant growth, as 5G brings in higher cash flows. These cash flows could convert to incremental dividends in the coming 10 years.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:CSU (Constellation Software Inc.)

5. TSX:ENB (Enbridge Inc.)

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