



## TFSA Investors: 2 TSX Stocks to Buy Today and Hold Forever

### Description

When it comes to long-term savings, the [Tax-Free Savings Account](#) (TFSA) might not be the first savings account that comes to mind. The [Registered Retirement Savings Plan](#) (RRSP) is often the savings account that Canadians associate with long-term savings. While the RRSP is an excellent choice for retirement savings and other long-term savings goals, the TFSA should not be neglected.

At a contribution limit of \$6,000 this year, it's no surprise that many Canadians may not think of the TFSA as a retirement savings account. But if you've got time on your side, \$6,000 invested wisely can grow significantly through tax-free compounded gains.

Not only can you make tax-free withdrawals from a TFSA, but capital gains are not taxed either. Meaning that a \$6,000 contribution made today can compound year after year for decades without ever needing to pay a penny of tax.

The TFSA contribution limit is only \$6,000 in 2022. But dating back to 2009, when the TFSA was introduced to Canadians, the total contribution limit is now at \$81,500. Don't worry if you're behind on your TFSA savings; unused contributions can be carried over from year to year.

### The magic of compound interest

A maxed-out TFSA growing at an average annual rate of 8% would be worth more than \$800,000 in 30 years. That may or may not be enough to completely fund your golden years. Either way, if you've got decades until you're planning to retire, there's no reason why a TFSA cannot partially contribute to your savings goal.

Canadians saving towards a [long-term goal](#) should have these two [TSX](#) stocks at the top of their watch lists.

### TSX stock #1: Shopify

Alongside many other tech stocks, shares of **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) have dropped considerably over the past few months. Shares of the tech giant are down close to 50% in fewer than three months.

The entire [tech sector](#) has been experiencing a steep selloff as of late. With valuations rising in recent years, especially in 2020, it's not exactly surprising to see many of these high-flying [growth stocks](#) cool off.

If you're hoping for short-term gains, I'd be hesitant to invest in a growth stock like Shopify. But over the long term, there's no reason to believe why the TSX stock cannot continue to deliver market-crushing gains.

As long as shares are priced this high, volatility likely won't be slowing down anytime soon for Shopify. But if you're willing to be patient and hold through inevitable pullbacks, now is a very opportunistic time to pull the trigger.

## TSX stock #2: Brookfield Renewable Partners

Renewable energy is another area of the stock market that I'd recommend long-term investors have a closer look at today. There's no shortage of Canadian renewable energy stocks trading at a discount right now.

At a market cap of over \$10 billion, **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)) is a Canadian leader in renewable energy. The energy company also boasts an international presence, with operations spread across the globe.

Shares of Brookfield Renewable Partners are down close to 30% over the past year. Still, the TSX stock is up a market-beating 100% over the past five years, easily doubling the returns of the **S&P/TSX Composite Index**.

If you're bullish on the long-term growth potential of renewable energy, now is the time to be investing. I don't think it will be long before Brookfield Renewable Partners is back to all-time highs, so I'd act fast if you're interested.

### CATEGORY

1. Investing

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1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:SHOP (Shopify Inc.)

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