3 Stocks to Stash in Your TFSA for Decades

Description

When you are an investment novice, it's common to opt for beginner stocks instead of riskier securities. You rebalance your portfolio as you grow as an investor and pick stocks that better reflect your investment goals and acumen. However, quite a few beginner stocks can be held for decades, thanks to their reliable return potential.

A railway giant

Canadian National Railway (TSX:CNR)(NYSE:CNI) is one of the largest companies in Canada by market cap. It's also one of the only two railway giants in the country, so there is little probability of any significant competition disrupting the market (besides the one CNR already intimately understands).

Plus, the company is making great strides towards going green, which, as a critical element of the supply chain for thousands of businesses, can be a powerful asset.

The company is a well-established aristocrat though the yield is rarely high enough to be a good reason. Still, the current 2% yield is quite attractive considering its history. And for once, the growth in yield is not the result of a stock drastically going down but rather a massive 19% growth in payouts from 2021.

Its position in the market, safe dividends, and decent capital-appreciation potential make it a powerful TFSA holding for decades.

A gold royalty and streaming giant

When it comes to investing in gold, miners are the first choice for most investors. That's usually because they dominate the publicly traded companies' space. However, there are potent outliers, including **Franco-Nevada** (TSX:FNV)(NYSE:FNV), one of the most prominent gold royalties and streaming companies globally, with a robust portfolio of assets a stake in.

The benefits of being a royalty company include a complete separation from the risks in mining operations, ranging from financial to regulatory. And these benefits spill out in the stock as well — a positive outcome that has made Franco-Nevada one of the few stocks in the sector with a relatively consistent growth history.

Its diverse portfolio, powerful global presence, business model, and capital-appreciation potential (based on its history) are reasons enough to buy and hold this company for decades in your TFSA.

An insurance giant

Sun Life (TSX:SLF)(NYSE:SLF), even though it's still one of the most significant players (at least in Canada) in the life insurance space, is no longer purely an insurance giant. Larger chunks of its yearly revenues now come from different businesses, including investment divisions. However, the company still maintains an impressive international presence.

Its diversified revenue sources are probably one of the reasons it's one of the few stocks in this arena in Canada that have mostly gone up since the Great Recession (excluding the 2020 crash). Currently, it's offering a great combination of dividends (4.31% yield), capital-appreciation potential (194% 10-year price return), and valuation (price-to-earnings multiple of 9.7).

Its financial stability, impressive valuation, and collective return potential make it a worthy long-term buy.

Foolish takeaway

The powerful growth stocks you can potentially stash in your TFSA for decades can help you build a sizeable nest egg, but that's not the full scope of its potential. If you wonder how to build generational wealth and leave a decent financial legacy for your progeny, long-term growth stocks can be a massive part of the correct answer.

CATEGORY

1. Investing

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1. NYSE:CNI (Canadian National Railway Company)
2. NYSE:FNV (Franco-Nevada)
3. TSX:CNR (Canadian National Railway Company)
4. TSX:FNV (Franco-Nevada)
5. TSX:SLF (Sun Life Financial Inc.)

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