2 TSX Stocks I Will "Never" Sell!

Description

It's so tempting to want to sell certain TSX stocks with a plan of getting back once the volatility storm has cooled. The S&P 500 is in a bear market, and it's hard to ignore all the talks of rate hikes and recession.

Don't let overly bearish commentary let you sell your favourite TSX stocks at a loss, though. Markets are forward looking, and eventually, they'll be looking forward to the next market expansion, perhaps when a recession is made official. That's the nature of markets, and it's why timing your entries or exits is never a good idea, especially when others around you are just about ready to throw in the towel.

It's hard to check in on your TFSA these days. But it's important to remember that the rocky market already has a downturn in its sights. It's only a matter of how bad the downturn gets. If there's no recession, and the consumer is back to spending again (what ever happened to the so-called "Roaring 20s" talk?), markets could easily find themselves back to new highs in a year or so from now. Remember, things are seldom as bad as they seem when there's nothing but pessimism and negativity in the headlines.

In this piece, we'll have a closer look at three TSX stocks I'd "never" sell and would relish the opportunity to buy even more shares of on further weakness. We're talking about the businesses you wouldn't think twice about buying at much lower prices because their long-term prospects are likely to shine through.

CN Rail

Railways are absolutely critical to the health of the Canadian economy. When strikes got in the way just over a year ago, many firms felt considerable pressure. Indeed, **CN Rail** (TSX:CNR)(NYSE:CNI) is one of many firms that will not only hold its own as the economy takes a few steps back, but it could also help pull the Canadian economy out of a funk.

At writing, the stock trades at 21.35 times trailing earnings. Historically speaking, shares are not all that cheap, especially after a few headwind-plagued quarters. The failed acquisition of Kansas City

Southern and management changes have made CN Rail stock a rather uncertain play over the past year. As the firm invests to improve its network while taking steps to iron out operational inefficiencies, count me as unsurprised if CNR is back to its old market-beating ways again.

Yes, CN Rail stock has lagged its peers in the railway space in the past five years. However, new CEO Tracy Robinson seems to be the right person to re-establish CN as North America's most efficient railway! Shares are down around 15% from their highs. Should they slip into a bear market, I'll be ready to top up.

Fortis

Fortis ([TSX:FTS](TSX:FTS))(NYSE:FTS) stock is a Dividend Aristocrat that I own and would love to buy more of on weakness. Amid the recent market hailstorm, the stock has held its own rather well. Perhaps too well, with the stock down just 7% from its high, while the TSX is off nearly 16%. The tech-heavy Nasdaq 100 is down around 28%, making the good, old-fashioned utility an exciting play in comparison.

While it's wise to play defence at a time like this, you must be careful how much you pay because many investors have ditched growth for safety plays like Fortis. At writing, the stock is 23.4 times trailing earnings. That's a high price to pay for safety. Fortis may lack on the growth front, and the valuation seems indicative of greater growth. Still, compared to bonds, Fortis stock is still a lot cheaper.

Though I'd much prefer waiting for a 10-15% decline before loading up, I wouldn't take profits on the name, just in case the coming recession is a tad bumpier than expected.

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