2 TSX Dividend-Growth Stocks I'd Never Sell

### Description

The market selloff and barrage of volatility has many wondering if it's a good idea to lighten up while the bounce continues. While the recent bounce could certainly fade like those in the recent past, I think it's unwise to liquidate your portfolio over near-term concerns, especially if the long-term fundamentals are still intact.



Undoubtedly, the recent market weakness has some feeling jittery, but trying to forecast the economy's next move or the Federal Reserve's policies is never a good idea. You'll likely lose more money by attempting to time such rather than just focusing on spotting undervalued companies.

In this piece, we'll have a closer look at two wonderful TSX stocks that I'd never be willing to sell, even if the current bear market intensifies. The following names have wide moats and operating cash flow streams durable enough to withstand a 2023 recession or worse.

Should a market crash strike, I'd relish the opportunity to buy more shares of the two TSX stocks I love. Without further ado, please consider the following stocks.

## Restaurant Brands International

I've been pounding the table on shares of **Restaurant Brands International** (TSX:QSR)(NYSE:QSR) following the release of some much better-than-expected results in its latest quarter. Tim Hortons and Burger King were starting to exhibit strength again. Going into a more demanding economic climate, I expect both chains will continue to propel the numbers higher, given the staying power of fast food and recent innovations made underneath the hood of the firm.

Menu innovation and innovative ordering technologies can help bring QSR stock out of its multi-year rut. And I don't think a global recession can stop the firm from bettering itself. The company boasts impressive operating margins (31.5% versus the 23% restaurant industry average). As the firm looks to find the right balance between investing and rewarding shareholders, I think QSR stock is a must-own stock. It's asset-light and compensates shareholders very well through steady dividend hikes.

As impressive as QSR's operating margins are, it has room to the upside. Its modernization plan could bolster sales and margins at the same time. For QSR investors, it's in a sweet spot now, as the firm looks to push higher for those distant highs just north of $100 per share.

## CN Rail

**CN Rail** (TSX:CNR)(NYSE:CNI) is another dividend-growth play I'd never sell. The railway was outbid in the Kansas City Southern sweepstakes by a bitter domestic rival. Though I predicted the deal would fall through, given CN's already dominant network, I think CN has an opportunity to drive its operational efficiencies higher over the coming years.

The company has a new chief executive officer in Tracy Robinson. And early signs suggest she could make the rail giant a leader again. Over the past five years, the stock is up more than 62%. That's not a bad return, but not as good as it could be, given the firm's prior hiccups in response to macro headwinds. As COVID abates, and CN's rail investments begin to pay off, I'd be unsurprised if CN is ready to push much higher, perhaps to the $200 level.

Looking ahead, CN's adding 57 new high-horsepower locomotives and 500 new hopper cars to give its business a major jolt in grain come early 2023. I think the grain boom could power upside surprises.



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2. NYSE:QSR (Restaurant Brands International Inc.)
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**Date**
2025/06/28
**Date Created**
2022/08/09
**Author**
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