Want to Get Richer? 3 Top Stocks to Buy Now and Hold Forever

Description

This diversified mix of growth stocks could make you richer if you buy and hold them forever.

Get richer with this proven growth stock

Brookfield (TSX:BN) just spun off its asset management business. Brookfield is a company that has a track record of execution and delivering market-beating returns through economic cycles.

It originally owned and operated in businesses across real estate, financial services, hydroelectric power, and industrial investments. Its proven investing approach that involves value investing and improving businesses with its operating expertise eventually attracted substantial third-party capital to invest with the business. The interest has only grown over the years.

The stock has fallen with the year-end weakness in the general market after the spinoff. Some of the selloff may also be attributable fund selloffs — funds that originally owned the pre-spinoff company but for which Brookfield doesn't fit their investment objective anymore.

In any case, Brookfield stock will be a volatile ride. However, investors looking to become richer should consider placing long-term capital into the proven business, which is well positioned to generally benefit from the current high inflationary environment.

It targets to earn returns of 12-15% per year on its investments. Since the stock is down, buyers now have hopes of earning over 15% annually over the next five years! Assuming this return materializes, investors will double their investment within this period according to the Rule of 72.

Another buy-and-hold growth stock to own

Another growth stock that you can partner with and rely on is **Canadian Pacific Railway** (TSX:CP), which has delivered annualized returns of about 18.5% in the last decade. It is a large railroad in North America, and it is about to get a whole lot bigger with the extension of its network into Mexico through the Kansas City Southern acquisition, which is currently under regulatory review.

If the transaction closes, the wide-moat stock could continue making investors richer by delivering a double-digit rate of return. The business has performed stably in a higher inflation and interest rate environment. At about $103 per share at writing, it's a wonderful business that can be bought at a fair price. Buyers looking for a better bargain might consider buying more shares in the low $90s.

One must-own growth stock with a nice dividend

Brookfield and CP Rail stocks don't provide much of a yield. **goeasy** (TSX:GSY) is a growth stock that is more attractive from an income standpoint. It offers a decent yield of approximately 3.3% for a growth stock. It has also increased its dividend every year since 2015. Its five-year dividend-growth rate is north of 39%, which is hard to beat.

The leading non-prime lender in Canada is trading at a valuation, which is about 20% below its long-term normal multiple. It's understandable because the uncertainty in the business is higher in today's higher inflationary and interest rate environment, because it could have larger amounts of loan defaults.

Its clients are typically people that cannot get loans traditionally. goeasy provides them with the much-needed financing and aims to help them improve their credit scores over time. goeasy provides an essential service of financing for these people.

The stock's correction of about 38% year to date is a good buying opportunity for long-term investors to become richer. Despite the meaningful reduction of the stock, GSY has still delivered annualized returns of about 29% in the last decade. Even if it were to stay at the current valuation and grow its earnings at a "low" rate of 15% (versus its 10-year rate of 29%), it could still deliver annualized returns of 18% over the next five years!

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

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2. TSX:CP (Canadian Pacific Railway)
3. TSX:GSY (goeasy Ltd.)

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