



## 3 Top Stock Picks From Canadian Billionaires

### Description

If you look at the results, it's pretty obvious why many Canadian investors want to invest like billionaires.

Fortunately for us mere thousandaires, there's an easy way for us to invest in the same way as Canada's most successful investors. Since they're required to disclose their largest holdings, we often get the opportunity to pick up stocks at the same level as billionaires. If you're patient, you can usually get in at a lower price.

Here are three portfolio ideas from Canada's most successful investors.

### BlackBerry

Billionaire Prem Watsa is a fan of **BlackBerry Ltd** ([TSX:BB](#))(NASDAQ:BBRY), owning more than 46 million shares of the troubled smartphone maker, as well as owning US\$500 million in convertible bonds. In total, **Fairfax Financial** has about US\$1 billion in BlackBerry debt and equity.

Watsa is attracted to a few things. Firstly, he's a believer in John Chen, BlackBerry's CEO. Chen has experience turning around troubled tech companies, and has done a nice job so far selling assets, cutting costs, and simplifying the manufacturing process.

Although BlackBerry is still mostly known as a hardware company, this looks poised to change in the upcoming months. The company is a leader in the upcoming Internet of Things revolution, providing the software for many of the devices that will be connected to the cloud via its QNX software.

Let's look at one example, cars. QNX practically owns the in-dash entertainment market, having contracts with just about every major auto manufacturer to provide the software needed to play your tunes. Heck, even **Apple** uses QNX to connect its Apple Play device to cars.

BlackBerry is also sitting on nearly US\$3 billion in cash, and recently reported a quarter that was actually profitable. If you combine the short-term strength with the long-term potential, it's easy to see why Watsa is so bullish.

## AutoCanada

Although billionaire Jim Pattison doesn't own **AutoCanada Inc.** ([TSX:ACQ](#)) directly, he's just one billionaire that's investing in the auto dealership sector. Bill Gates, Warren Buffett, and Eddie Lampert also have large investments in the sector, although Lampert has been selling lately.

The logic is simple. There are thousands of car dealerships in North America ran by thousands of different owners. As these owners look to retire over the next decade or two, there exists a massive opportunity to consolidate the industry. In Canada AutoCanada is really the only way to invest in this trend, since the 24 dealerships owned by Pattison aren't accessible to the average investor.

Plus, you can make the argument that AutoCanada shares are on sale. The company is projected to earn \$2.25 per share in 2015 and \$3.20 per share in 2016, which is pretty explosive growth. Yet shares trade at under 20 times earnings, which is in line with the rest of the TSX. Needless to say, the rest of the market isn't projected to grow earnings 50% per year.

## Thomson Reuters

Canada's richest family, the Thomsons, have a net worth of more than \$25 billion. Nearly 70% of that is invested in one company, **Thomson Reuters Corporation** ([TSX:TRI](#))(NYSE:TRI).

The combined company dominates the information business, providing everything from the ticker you see at the bottom of the business news TV screen to many of the news stories you read from leading sources. The company is also a leading voice on issues as wide ranging as business trends to the world's energy needs, information it then supplies to interested parties. In today's world of always needing an edge on competitors, it's a good business to be in.

Plus, investors in Thomson Reuters are getting paid a nice dividend. Shares currently yield 3.3%, and the company recently hiked the dividend some 50%, from US\$0.22 per share to US\$0.34.

Nobody should blindly follow another investor, no matter how rich they might be. But billionaires do tend to invest wisely, or else they wouldn't be wealthy. At a minimum, investors can analyze billionaire stock picks to see whether the company is a good fit for their portfolio. Most of the time, I think you'll find out the billionaire is on to something.

## CATEGORY

1. Investing

## POST TAG

1. Editor's Choice

## TICKERS GLOBAL

1. NASDAQ:TRI (Thomson Reuters)
2. NYSE:BB (BlackBerry)
3. TSX:ACQ (AutoCanada Inc.)
4. TSX:BB (BlackBerry)
5. TSX:TRI (Thomson Reuters)

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