



## Long-Term Investors: Why Fairfax Financial Holdings Ltd. Deserves a Deeper Look

### Description

What has perhaps gotten lost in the sea of publicity following the large drops on the Toronto Stock Exchange and Dow Jones Industrial Average is the fact that some of the biggest players in Canada and the U.S. remain bullish on the long-term prospects of North American equities.

One of Canada's most prominent money managers, V. Prem Watsa, Chairman and CEO of **Fairfax Financial Holdings Ltd.** ([TSX:FFH](#)), has recently [reversed his previously bearish tone](#) amid the belief that the medium-term outlook for many of the companies he invests in are likely to get a boost from a number of catalysts, which should take stocks higher over time. This includes the new tax regulations put in place by the Trump Administration and other key factors. Mr. Watsa has also engaged in a number of investments and acquisitions of late, which are notable for investors given the fact that the market's recent corrections may indicate that it's a good time to be making investments.

Early last week, Fairfax announced it has entered into an agreement to acquire specific assets from now-defunct **Carillion Canada Holdings Inc.** The assets Fairfax has agreed to buy are high-quality service businesses involved in airport management, real estate (retail and commercial), healthcare and defense facilities, and other related properties. The terms of the deal are as yet unclear; however, it has been noted that Carillion's Canada operations accounted for approximately 11% of the company's overall revenue (approximately \$1 billion per year), thereby suggesting that the deal may be in the 10-figure range.

This deal is one that has been touted as good for Canada given the number of Carillion employees currently affected by the company's bankruptcy (approximately 7,500) and the important role of many of Carillion's operations in the Canadian economy.

Fairfax has also recently announced that it intends to increase the scope of its management team for its newly acquired assets, appointing former Governor General David Johnston to its board.

### Bottom line

Fairfax is in an excellent position to take advantage of any buying opportunities that may come in tough economic times. Investors gain a significant amount of [diversification](#) with Fairfax. Combined with opportunities for accretive acquisitions such as the one highlighted in this article, Fairfax remains a solid option for bullish investors hoping for a continuation of the current bull market.

Stay Foolish, my friends.

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## TICKERS GLOBAL

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