



2 Warren Buffett-Like Stocks That Are Great Buys Today

Description

There are many different investing strategies you can undertake to try and grow your portfolio. Value investing is always a popular one, and you only have to look to Warren Buffett to see why that is. One of the most successful investors ever, he looks to long-term value stocks to help build his portfolio. That's why you'll see many blue-chip stocks in his **Berkshire Hathaway** holdings, including names like **Apple** and **Coca-Cola** and many different bank stocks.

By no means is it an exciting investment strategy, nor one that will result in you seeing significant returns overnight. The long game is the one that Buffett focuses on, so you won't find him looking at charts to try and find patterns or using technical analysis to uncover the next big penny stock.

If you're looking to build wealth, then the two stocks below are good options for Buffett fans. These are stocks that would be in line with the types of investments that the billionaire investor would hold.

Magna International ([TSX:MG](#))([NYSE:MGA](#)) is an excellent investment option as it offers growth, dividends, and lots of value for your money. Currently, the stock trades at just around eight times its earnings and under two times its book value. Those are great multiples that ensure you aren't paying a big premium to own the stock.

It also offers investors a growing dividend, which was recently hiked this year by 10.6%. With quarterly payments being made in U.S. dollars, you can also take advantage of an appreciating U.S. currency. The current 2.6% dividend is a modest one, but if it continues to rise, it could become a great source of income for your portfolio.

The real exciting aspect of Magna's stock is the growth potential that it offers. The company is involved in developing [self-driving automobiles](#), and while it might be years away from being mainstream, it makes the stock a great long-term play. Magna offers investors steady and modest growth over the years, as profits have climbed by 22% since 2014. Year to date, the stock is up 18%.

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)), being one of the Big Five chartered banks in the country, would easily make it a candidate for being in Berkshire's portfolio. With a price-to-earnings multiple of under 13 and trading at only 1.6 times its book value, it too is a solid value buy. Over the past five

years, the stock has risen by more than 35%.

However, the bank stock has also done a great job of [growing its payouts](#) over that time as well. Back in 2014, BMO was paying a dividend of \$0.76 per quarter. Those payouts have since grown to \$1 for an increase of 32%, averaging a compounded annual growth rate of 5.6%. Currently, it is yielding 3.8%, which is a modest but stable dividend. And if you invest for the long term, you'll likely be earning much more you on your initial investment years from now.

Like Magna, BMO has also done a great job of steadily growing its profits. In five years its bottom line has increased by more than 27%. Overall, the stock is a good option for any type of investor that's looking for a quality long-term investment.

CATEGORY

1. Bank Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:MGA (Magna International Inc.)
3. TSX:BMO (Bank Of Montreal)
4. TSX:MG (Magna International Inc.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Bank Stocks
2. Investing

Date

2025/08/25

Date Created

2019/04/20

Author

djagielski

default watermark

default watermark