



Hate Taxes? Hold This Billionaire Stock Forever

Description

Partners Value Investments (TSXV:PVF) operates as an [investment holding company](#) that engages in a variety of investment transactions. The company was formerly known as Partners Value Investments Inc. The corporate headquarters of Partners Value Investments LP is in Toronto, Canada.

The company operates as a limited partnership. Partners Value's largest investment is a leveraged ownership interest in Class A Limited Voting Shares of **Brookfield Asset Management**. The company is managed by the general partner, PVI Management Inc.

The company's investment in Brookfield Asset Management is owned indirectly through wholly owned subsidiaries: Partners Value Investments Inc. and Partners Value Split Corp.

The company also holds a portfolio of several other securities, including a 100% interest in Global Champions Split Corp., which owns a diversified portfolio of large capitalization companies and a 100% ownership stake in Global Resource Champions Split Corp., which owns a portfolio of large capitalization resource companies.

The company also owns investments in limited partnership units of **Brookfield Infrastructure Partners**, **Brookfield Property Partners** and **Brookfield Business Partners** and a diversified portfolio of other marketable securities.

The company's stated objective is to provide the Equity Limited Partners with capital appreciation and Preferred Limited Partners with income returns. Investment income, which includes dividends from the company's investment in Brookfield Asset shares and other securities, is used to pay dividends on the company's financing obligations and Preferred LP units.

The company's total assets were \$4.7 billion at the end of Q2 2019 and rose nearly 20% year over year due to the increase in price of Brookfield Asset's shares and equity markets. The portfolio consist primarily of the company's \$4.1 billion investment in 86 million Brookfield Asset's shares.

The market price of a Brookfield Asset share was \$47.78 per share at the end of the second quarter. The Partnership engaged in a substantial issuer bid in Q2 2019, repurchasing \$250 million of the

company's Class A Preferred Limited Partnership units through a wholly owned subsidiary.

Partners Value Investments LP reported an increase in net book value in Q2 2019 of \$752 million (\$8.53 per unit) to \$3.6 billion (\$40.78 per unit).

The increase was due to the excellent performance of Brookfield Asset's share price, investment valuation gains, and investment income earned on the company's investment portfolio.

The company also makes it a point to hold sufficient liquidity to comfortably manage leverage and take advantage of investment opportunities as they arise.

At the current market price, the company trades at a 27% discount to net asset value. Over time, Brookfield Asset Management is a great company and is expected to outperform the **Toronto Stock Exchange**.

There are several investment professionals who believe that Brookfield Asset Management is trading well below intrinsic value and that investing in Partners therefore provides the investor a double discount. Partners is expected to outperform Brookfield Asset Management because of the company's exposure to leverage.

Management keep operating expenses extremely low and own a major portion of Partner's stock. Further, the interest rate the company pays on the preferred shares is very reasonable.

In conclusion, Partners Value Investments is a great buy at current prices and is expected to outperform the market over the long term.

CATEGORY

1. Investing

POST TAG

1. investing

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. TSX:BN (Brookfield)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

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