



The 2 Top Canadian Stocks That Warren Buffett Owns

Description

Everybody knows who Warren Buffet is – the third-wealthiest person in the world right now and considered one of the greatest investors of our time.

After all, the man's company, **Berkshire Hathaway**, is one of the most successful companies in the world. Warren Buffet has also consistently delivered returns over decades that have beaten everybody's expectations.

If there's one person on the planet who has fully leveraged the world of stock markets, it's Warren Buffet. Mr. Buffet's approach to investing has always been based on value.

The man's success has rightfully developed an almost religious following. His actions determine a course of action for so many investors who seek to emulate his success.

One particularity about Warren Buffet is that he's generally reluctant to invest in stocks of companies based outside the United States. Any exceptions he makes are sure to incite interest from investors.

Two of the international stock picks for Mr. Buffet happen to be based in Canada: **Restaurant Brands International Inc.** ([TSX:QSR](#))([NYSE:QSR](#)) and **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)).

Let's take a look at both of them to see why you might want to consider investing in these two companies as well.

Multi-national restaurant trio

Warren Buffet owns over 8.4 million shares of Restaurant Brands International, which amounts to almost \$750 million. The Ontario-based company is the third-largest restaurant company in the world.

Initially formed in 2014 when U.S.-based **Burger King** joined hands with Canadian chain **Tim Hortons**, Restaurant Brands has also added **Popeyes Louisiana Kitchen** to its portfolio.

Three of the largest restaurant chains coming together under a single umbrella immediately gave Restaurant Brands an advantage over other companies. Since 2014, the company's share price is up by almost 120% at \$89.29 per share at writing. Its 52-week high was \$105.93 per share, which the company reached in August.

QSR enjoys the [strong reputation](#) that all three chains bring to the company, giving the company a competitive edge in the industry.

Furthermore, QSR has also begun to bolster itself through technological advancements. QSR was among the top companies despite lagging behind competitors in mobile ordering and delivery options. With this improvement, the firm will catch up and likely overtake its peers.

Energy galore

Canadian investors with a stake in the Canadian energy sector might remember the slump back in 2018. All energy stocks suffered, as there wasn't enough capacity in Canada's pipeline infrastructure to ship producers' output.

The industry-wide decline was rough on many companies. They ended up drastically reducing the price per barrel to below US\$15, while the price of oil in the U.S. remained US\$50 per barrel.

The Canadian government resolved this issue by introducing production limits. While the production limits took time to exert a positive influence on the energy sector in Canada, Warren Buffet got busy.

From July to December 2018, Suncor Energy stocks fell by almost 40% thanks to the energy sector issues — a golden opportunity for someone who knows what he's doing.

Warren Buffet scooped up 10.8 million shares, almost a full percentage of the Canadian energy sector giant. Trading for \$42.52 per share at the time of writing, Suncor is up by more than 17% from December 2018.

Why would Warren Buffet choose Suncor over other energy companies? My guess is that the company's [integrated model](#) has a lot to do with it.

From exploration, production, transportation, and finally, refining, Suncor owns and operates every aspect of it. The business model is a considerable advantage.

Given that Suncor owns its pipeline, for instance, it doesn't need to rely on competitors to ship its product. The company's counter-cyclical refineries also offset falling oil prices, mitigating volatility.

Foolish takeaway

As you can see, Warren Buffet doesn't bet on companies he doesn't believe will succeed. Historically, the companies he sticks with never fail.

I believe that his confidence in Restaurant Brands and Suncor is a big nod — which means you should definitely consider adding them to your portfolio.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

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2. NYSE:SU (Suncor Energy Inc.)
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Date

2025/08/24

Date Created

2019/11/18

Author

adamothman

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