



Warren Buffett Isn't Buying Much, but He Has Bought 2 Special TSX Stocks

Description

Warren Buffett, the Oracle of Omaha, is not only the world's third-wealthiest person, but is also a prophetic market mover.

Year after year, Warren Buffett and his company, Berkshire Hathaway, continue to exceed expectations. Which is why the last four years of almost total inactivity from Berkshire Hathaway has so many people confused.

It's been almost four years since Berkshire Hathaway made a significant acquisition, leaving this company with just over \$128 billion in cash just lying around. Wall Street is wondering why Buffett hasn't been investing this money the way he has in the past.

One thing that Warren Buffett has been investing in has been the Canadian stock market.

With stable performers like **Suncor** ([TSX:SU](#))([NYSE:SU](#)) and **Restaurant Brands** ([TSX:QSR](#))([NYSE:QSR](#)) in the Berkshire Hathaway portfolio, Buffett can sit back, wait, and let the right opportunity come to him.

Suncor

In 2018, the Canadian energy industry went through a prolonged slump caused by pipeline infrastructure issues that put a soft cap on top of what energy producers were able to generate.

Things were so rough in 2018 that the price per barrel of Canadian oil hit a low of US\$14 at the same time that a barrel of oil in the U.S. was valued at US\$50. The Canadian government stepped in, placed production limits across the industry, and slowly began to build the energy sector back up – but not before Warren Buffett was able to snap up Suncor shares at a great price.

Watching as [Suncor](#) share values fell nearly 40% in the second half of 2018, Buffett purchased north of 10.8 million shares and secured almost 1% of the entire company. This helped to move the needle significantly, bringing the value of this company up nearly 17% since that investment.

Share value continues to climb in the early part of 2020, growing from \$42.56 at close on December 31, 2019, to \$45.05 on January 14, 2020.

Restaurant Brands

Over the last few years, Buffett and Berkshire Hathaway have secured just north of 8.4 million shares of Restaurant Brands International. As of right now, Berkshire Hathaway's shares of the third-largest [restaurant company](#) on the planet are worth about \$750 million.

Restaurant Brands was established in 2014 when Burger King decided to combine with Tim Hortons, later moving to add Popeyes Louisiana Kitchen to the mix.

These three companies combined give each a significant amount of leverage over the competition. This leverage has allowed the share value of Restaurant Brands to increase by nearly 120% over the last five-plus years.

While individual share values have fallen a bit since the record high of \$104.41 established on August 30, 2019, to its current cost of \$81.83 as of January 15, 2020, the outlook for this company and its potential to really take off over the next year and beyond is significant.

Foolish takeaway

Even though Warren Buffett hasn't made any major acquisitions lately, he is still investing in great companies like Suncor and Restaurant Brands. His confidence in the two companies is a good sign for investors.

CATEGORY

1. Energy Stocks

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1. NYSE:QSR (Restaurant Brands International Inc.)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:QSR (Restaurant Brands International Inc.)
4. TSX:SU (Suncor Energy Inc.)

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