



Warren Buffett Is Doing This 1 Thing Amid the Coronavirus Market Crash

Description

If it makes you feel any better, Warren Buffett has likely suffered far [greater losses](#) amid this coronavirus market crash than you. It will be a while before we learn whether or not he's bought anything in the continued downturn. One thing we can be certain that he's not doing at this most critical time is panicking.

Many investors have probably lost their cool over the last few weeks of [selling hell](#). They're probably regretting their decision to invest in the markets and are doubting their abilities. The paper losses feel real to many investors. As such, it's hard to adopt Buffett's timeless piece of advice by being greedy while others are fearful and vice versa.

Being greedy while others are fearful was never meant to be easy

The key to Warren Buffett's success is no mystery. Be a contrarian, especially in times like these.

But it just goes against human nature. To many, this pandemic is far scarier than any Financial Crisis because real lives are on the line and there are few things more uncertain in this world than biology. That makes a biological crisis truly terrifying. Moreover, a biological crisis of this proportion, and its effect on the global economy, is unknown in living memory.

In times like these, where there's mass hysteria, it's nearly impossible to be like Warren Buffett and buy the dips. If you buy too early, you could be slapped with a double-digit loss in just as little as one trading session. That's horrific volatility and it's far too much for the average investor.

While it's a tempting strategy to wait for a bottom to form, and wait until after the coronavirus is in the rear-view mirror, doing so puts you at risk of missing out on bargains that we may never see again in our lifetimes.

Stocks are at generationally cheap levels here. And while they could certainly become cheaper

tomorrow, there's no guarantee that these bargain-basement prices will be sticking around long enough for you to buy.

So, what is Warren Buffett doing?

He's probably buying stocks. But we're not going to find out until much later, so don't try to guess what or when he's buying because odds are you'll be wrong.

One thing Warren Buffett is doing for sure is remaining calm.

At 89 years of age, the Oracle of Omaha has the right to be frightened, as the coronavirus is more deadly to the elderly. But he's not letting something truly panic-inducing influence his investment decisions. One thing he's not doing is panic selling everything in his portfolio, especially his biggest losers like the airline stocks.

Yes, losses are mounting in Berkshire Hathaway's portfolio. And although this pandemic-driven crash is truly novel (it took him 89 years to witness something like this), you can bet that he's not going to take any drastic moves based on emotion like many investors on Main Street.

Foolish takeaway

Keep your cool like Warren Buffett. And don't panic over the unknown. All market crashes are different, but that's still no excuse to commit the cardinal sin of selling stocks you still believe in after they've plunged significantly.

It's no easy task to keep your cool these days. But in order to invest like Buffett, you've got to learn to check your emotions at the door.

Stay hungry. Stay Foolish.

CATEGORY

1. Investing

PARTNER-FEEDS

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

Category

1. Investing

Date

2025/10/02

Date Created

2020/03/20

Author

joefrenette

default watermark

default watermark