



2 Moves Warren Buffett Might Make

Description

Warren Buffett is known for making major moves in a bear market. He has a track record for buying into good businesses at the dip, whether it was in the bear market of 1974 or the 2008 recession. But despite the fact that the market has crashed and **Berkshire Hathaway** (NYSE:BRK.A)(NYSE:BRK.B) is sitting on a huge cash pile of US\$128 billion, Buffett hasn't made any moves yet.

There is a lot of speculation about what moves Buffett might make, especially regarding Berkshire Hathaway. Some experts believe that Warren Buffett might invest in Berkshire.

Invest in Berkshire Hathaway

Warren Buffett's company is seeing its worst fall since the 2009 crash. After the recession, Berkshire Hathaway's stock (B class shares) started climbing, and before the current crash, the stock was up over 300% from its April 2009 value. Right now, it's trading at 20.8% down from its usually stable market value. Some believe that one of the things that the Oracle of Omaha might do is to inject money in its own organization.

And it wouldn't be the first time. In 2019, the company bought back 4,440 of its class A, and 17.6 million of class B shares at an estimated expense of about US\$5 billion. This is but a fraction of what the company is holding on to right now. Buffett has expressed its long-term wish for Berkshire Hathaway's share counts to go down to increase the proportionate interest of the stakeholders.

Invest in companies trading at dirt-cheap prices

Warren Buffett and Berkshire Hathaway might still make their move on many of the right businesses that are going under because of the pandemic. Like travel businesses and restaurant chains. Buffett already has a significant stake in one particular business that has been hit the worst: airlines. How that investment will pan out is yet to be seen. But analyzing fundamentally strong and valuable businesses is something Warren Buffett has been historically good at.

Berkshire Hathaway already has a stake in the Canadian multinational fast-food holding company **Restaurant Brands International**. As a [fast-food chain owner](#), the company got hit hard by the pandemic, similar to all the other businesses that thrive on foot traffic. But before the crash, the company's previous five-year growth was almost on par with the global giant **McDonalds** and better than **Starbucks**.

Buffett's trust in the brand carries significant weight, and many Canadian investors might want to look at Restaurant Brands International as an amazing buy-the-dip opportunity.

Foolish takeaway

Buffett's not making a move might be a sign itself. Maybe he is expecting the market to go down even further and has already chosen suitable candidates for Berkshire Hathaway's cash pile. One certain thing is, when the Oracle of Omaha does make a move, quite a few investors will follow. There is a chance that many investors might be [waiting exclusively](#) for Berkshire Hathaway to announce what the company is going to invest in.

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Date

2025/08/17

Date Created

2020/04/07

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