



## Warren Buffett's TSX Stocks Bounced Back Faster: Should You Buy?

### Description

Many market pundits are painting a gloomier picture for **TSX** stocks as well as for the global economy driven by the virus pandemic. However, markets strangely continued to rebound in the last few trading sessions.

The **TSX Composite Index** has surged more than 20% since its recent low of \$11,173 last month. Interestingly, some of the top TSX stocks have shown much steeper rallies in the last few weeks.

Notably, Warren Buffett's TSX stocks **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) and **Restaurant Brand International** ([TSX:QSR](#))([NYSE:QSR](#)) are up approximately 70% and 50%, respectively, since their multi-year lows on March 18.

### Warren Buffett's TSX stocks showed a quick rebound

However, investors should note that these quick rebounds should not be perceived as recoveries. We are not out of the woods yet. TSX stocks could continue to trade volatile in the short to medium term.

The lockdowns are extending and we have yet to see the COVID-19 curve flatten out. How stocks hold amid the first-quarter earnings season will also be important to see.

The legendary investor Warren Buffett-led **Berkshire Hathaway** holds 15 million shares of Suncor Energy and 8.4 million shares of Restaurant Brands.

While Restaurant Brands stock fell almost to its four-year lows amid the pandemic-driven weakness, Suncor stock fell to \$14, levels not seen in the last 10 years.

Although faster rebounds in these stocks expected given leadership positions in their respective sectors, investors' urge to chase Warren Buffett's stocks would have given them an additional push.

Rebound in oil prices after a probable truce between Saudi and Russia also pulled up Suncor Energy stock recently. More important, these two TSX stocks look well placed amid the current weakness and

offer [an attractive investment proposition for long-term investors](#).

## Attractive long-term investment proposition

Suncor Energy's presence throughout the energy supply chain makes it a relatively safe bet amid these volatile oil prices. Lower crude oil prices enhance the operating margins of its downstream operations, which partially makes up for underperformance of the upstream segment.

Suncor survived and [increased dividend payments](#) in the last financial crisis in 2008. Its solid dividend profile and attractive valuation still make it [an attractive bet for long term investors](#).

Hospitality is one of the worst affected industries in this pandemic. Despite its recent strong rebound, Restaurant Brands stock is still trading 50% lower than its 52-week high last August. However, notably, its business fundamentals and long-term outlook continue to look strong.

When the lockdowns end, Restaurant Brands will probably witness higher footfalls than normal, which will likely make up for the lost time.

Top TSX stock QSR currently offers a juicy dividend yield of 6.3% at the moment, much higher than that of the broader markets. It is also trading at a discounted valuation against its historical average.

The legendary investor Warrant Buffett practices what he preaches. He encourages long-term investing and advises to ignore short-term gyrations.

Selling quality businesses due to temporary weakness would be the most imprudent thing that long-term investors could do right now.

### CATEGORY

1. Coronavirus
2. Energy Stocks
3. Investing
4. Top TSX Stocks

### TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:SU (Suncor Energy Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
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