



Warren Buffett Could Buy More of These 2 TSX Stocks in 2020

Description

Warren Buffett is one of the greatest investors in history. His remarkable long-term track record has no parallels. The Oracle of Omaha seems like the only person capable of understanding how to play with stock markets to amass an enormous fortune.

His mastery in the world of stock market investing was apparent in how he approached his investments during the previous stock market crash. It pays to understand how he invests in shares, especially during a crisis.

Over the last few years, Buffett's **Berkshire Hathaway** has slightly underperformed compared to the **S&P 500**. It also has not made any significant acquisitions in the period. In fact, Buffett's company stockpiled an enormous sum of cash over time just as the COVID-19 pandemic hit. Where skeptics might say he's lost his market-beating touch, he might be the best prepared for what will come.

The COVID-19 pandemic is causing a market crash that has never happened before. Warren Buffett is quiet about the moves he plans to make. I am going to discuss the only two TSX stocks he has invested in and what he could do in the coming months.

Suncor

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) is the first one of two Canadian stocks that Warren Buffett has allocated significant capital towards. The Oracle of Omaha loves to make secure investments in long-term prospects. That is how he enjoys such monumental success as an investor.

Warren Buffett enjoys investing in stocks with histories of excellent performance and that tend to take a slight dip in share prices. Suncor stock had recently been on slightly shaky grounds before the pandemic struck due to the oil price wars between Saudi Arabia and Russia.

The [integrated energy company](#) enjoys some insulation from volatile commodity prices. Still, the share price tends to move along with the sector-wide fluctuations. Suncor is taking a beating like the rest of the stock market right now. It is down by more than 55% from its January 2020 peak amid the

pandemic-fueled selloff frenzy.

It has a juicy 9.23% dividend yield at writing with a share price of \$20.16. Buffett bought shares of the stock at a higher price at a time where the oil price wars were not a problem. As the oil prices go back up, Suncor is likely to make a recovery back to normal share prices and beyond as the pandemic subsides.

Restaurant Brands International

The fast-food conglomerate **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) formed in 2014. With Popeyes, Tim Hortons and Burger King in the mix, it is arguably one of the most substantial names in the international fast-food business. Warren Buffett got in on the stock when it came around.

Six years on, we are looking at the stock trading for \$60.55 per share at writing. The stock is down by more than 30% from its February 2020 peak. The COVID-19 pandemic-fueled selloff frenzy has affected share prices of the broader market, and QSR was not spared. However, the discounted value of the stock could make it an ideal buy right now.

I have always maintained the opinion that fast-food restaurant stocks are excellent stocks for a recession. Some experts believe that restaurant stocks will never be the same due to the coronavirus outbreak. However, I believe that people will not stop dining at their favourite fast-food restaurants.

The short-term outlook could be bleak as the pandemic rages on. Still, I think QSR can ride the wave. The company has \$1.53 billion in cash on hand, and it has fully drawn down its \$1 billion revolving credit facility. These are not ideal conditions, but I think it has more than adequate liquidity to pull through this.

Foolish takeaway

In terms of long-term prospects, I think both Suncor and Restaurant Brands have significant value to offer shareholders. I cannot guess what other stocks Warren Buffett could consider investing in amid the selloff. I can, however, talk about assets that fit the profile of what the Oracle of Omaha typically goes for.

He already owns significant shares of both Suncor and QSR. I think he could consider increasing his position in both stocks due to the [discounted prices](#).

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1. Dividend Stocks
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