



Warren Buffett: Only 1 Piece of Advice Matters

Description

Billionaire investor Warren Buffett dishes out [a lot of advice](#). Frankly, investors eat it up as if it were a free all-you-can-eat buffet(t). But all that advice can be overwhelming, especially during a market downturn.

What investors need right now is to focus in on what really matters. Sure, you *could* time the markets. You *could* find the next big stock to make millions. You *could* attempt to day trade and take on the chance of losing thousands in one market day.

But Warren Buffett wouldn't recommend any of these things. Instead, there's really only one thing you should remember as an investor.

Time heals all wounds.

No matter what happens in the markets, someday thing will turn around. Today's economic situation looks dire, but one day you'll look at your investment portfolio and be pleased with the balance instead of nauseated. That's what Warren Buffett wants investors to remember.

That's also why almost all of his investments focus on large positions on long-term holds. Holding a stock for a short period of time just simply won't make you all that much. Where the big bucks lie is with a significant amount of cash stashed in blue-chip companies.

Blue-chip companies are those that have strong finances and the history and future outlook to back it up. These usually tend to be large institutions that are pretty much household names. Think of Canada's Big Six Banks, for example, or railways. But there are other options as well.

Warren Buffett: be greedy

As the famous Warren Buffett quote goes, "Be fearful when others are greedy and greedy when others are fearful." There isn't a better time to consider this quote than right now. There was a massive panic

when everyone sold just about everything in the markets, resulting in the crash. However, if you were holding onto strong stocks there really wasn't any reason to be involved in panicked sell off.

So, now is the time to get greedy. There are still many out there too scared to buy into today's market. Could another downturn happen? Sure.

But again, if you're buying long-term holds it really shouldn't matter. What you should be looking at is how a stock could perform decades down the line, not months.

Act smart

In today's market, there are a few areas that should see a turnaround sooner as opposed to later. These are the stocks you should consider getting greedy about. What does Warren Buffett own? A top contender for your portfolio: **Restaurant Brands International Inc.** ([TSX:QSR](#))([NYSE:QSR](#)).

Restaurant Brands holds three household restaurant chains, namely Tim Hortons, Popeyes Louisiana Chicken and Burger King. The trio have brought in significant earnings for Restaurant Brands, and Warren Buffett due to his large stake in the company.

Back in 2015, Buffett bought up [8.4 million shares](#) of the company. At that time, shares were about USD\$40. Last September when the stock hit an all-time high, that stake was worth USD\$672 million. Today, it's worth about USD\$411.6 million at writing.

Bottom line

Even with a market downturn, Warren Buffett has seen a whopping increase of USD\$81.6 million. And that's what it takes. Act smart and be patient. This was only five years, but Restaurant Brands will continue to grow for decades. As it acquires more franchises, this company should have no problem reaching the three-digit range in share price.

If you were to buy up this stock and use \$60,000 from your TFSA, you could see a massive increase like this too. Let's say Restaurant Brands acts just like it has when Warren Buffett bought it five years ago — that would mean you would turn that initial investment into over \$120,000 in just five years.

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