



## 3 Top Stocks Billionaires Are Betting on (or Against) This Month

### Description

The first quarter of 2020 was perhaps one of the most volatile in investment history. Global stock markets lost trillions of dollars in just a few weeks, as the threat of COVID-19 became apparent. That plunge created an opportunity for cash-rich investors to jump in and buy some distressed assets.

Here are the top stocks billionaire investors bet on or against during the crisis.

### Bill Ackman

The billionaire hedge fund veteran turned a US\$27 million position into a jaw-dropping US\$2.6 billion by betting on a market crash in March. Now, he's betting big on Canada's quick-service food giant **Restaurant Brands**.

Ackman's firm has owned [more than 5% of the company since 2012](#). However, the team boosted the stake drastically during the market crash. Ackman now controls 9.6% of the company that manages the Tim Hortons and Burger King brands. He's now calling for management reforms to unlock value for shareholders.

The company's Popeyes and Burger King brands seem to be driving growth, while Tim Hortons is dragging the group down. A [shuffle of the brand portfolio](#) could result in unlocked value for Ackman and other investors in the group.

His track record in the food and beverage industry is flawless, so investors should probably add QSR to their watch lists. The stock currently trades at 22 times annual earnings and offers a 4% dividend yield that seems secure, despite the unfolding crisis.

### Michael Burry

Burry isn't a billionaire, but he is famous for calling the market crash of 2008. His firm made a killing on credit default swaps just as the housing market was crashing. This time, his focus is more celestial.

Burry added **Maxar Technologies** to his portfolio in the first quarter of 2020. Not only is it a new position, but it's now his largest Canadian bet and fourth largest altogether. Maxar stock has lost a third of its value year to date. It's now trading at just 4.4 times annual earnings and offers an unbelievable 10.4% dividend yield.

It seems like a high-risk, deep-value bet that's well-suited for speculators who trust Burry's research.

## Warren Buffett

Unlike other billionaires, Buffett was pulling away from the market during the dip. In early April, he'd revealed that he had completely exited the airline industry. This month, he revealed another striking move. Buffett's stake in **Goldman Sachs**, which many considered permanent, has been cut 84% in recent months.

His bearishness on the banking and investment sector should worry Canadian investors. Canadian bank stocks are some of the most lucrative dividend stocks on the market. If Buffett is right about a banking crisis, these stocks could be poised for dividend cuts and wealth destruction.

## Foolish takeaway

Billionaire investors aren't infallible. Even the most experienced professionals make mistakes. Nevertheless, following their investments gives me indications for seeking out good opportunities.

If you're bargain hunting or bullish on technology, Restaurant Brands and Maxar certainly deserve your attention. However, if you're cautious like Buffett, limit exposure to banks and airlines and keep cash on hand for a [deeper crash ahead](#). Keeping an eye on these billionaire portfolios could lead to interesting opportunities for regular investors.

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