



## Warren Buffett Just Got Ditched by Bill Ackman: Should You?

### Description

Billionaire Bill Ackman is stepping up the plate as Warren Buffett stays in the [bullpen](#). The founder of activist investment firm Pershing Square Capital Management is upstaging the “GOAT” of investing in the 2020 market crash.

Ackman ditched his \$1 billion shares in **Berkshire Hathaway** as his hedge fund can seize market opportunities faster than Buffett’s conglomerate. Should investors follow the trail of Ackman instead of Buffett’s?

### Progressive investor

Ackman is more than three decades younger than Buffett. But the 54-year-old investor has already raked in \$2.6 billion in net profit after executing a brilliant trade. Buffett is making his move only now.

The prodigy is giving up on the master from whom he learned many lessons. Ackman is surfing through the pandemic with confidence after turning a \$27 million recovery bet into a whopping \$2.6 billion.

Buffett’s empire reported a first-quarter loss, sold 21 stocks and bought only one. He’s keeping **TSX** stocks **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) and **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)), although both are underperforming in 2020.

### Shared sentiment

Restaurant Brands’ year-to-date loss is only 4.56% as of this writing. After sinking to \$40.64 on March 18, 2020, QSR is now trading at \$78.04 per share, a fantastic climb of 92%. For income investors, the stock is paying 3.69% in dividends.

On June 1, 2020, Ackman bought an additional nine million shares of QSR to increase his holdings to 25.12 million shares. Now, this restaurant stock comprises 19.81% of Pershing's portfolio. He maintains the same bullish sentiment on the Canadian holding company as Buffett.

Ackman sees strong growth potential for the operator of the three global fast-food brands. He believes that Tim Hortons, Burger King and Popeyes Louisiana Kitchen are well positioned to provide low cost food during the COVID-19 lockdowns.

Restaurant Brands is gearing for a major makeover and global expansion. Popeyes will lead the charge with sales soaring by 29.2% in the last quarter. Restaurant architecture and signage will change, including food wrappers. Exciting times are ahead, especially with two popular billionaires backing the QSR stock.

## Energy transition

Berkshire Hathaway has just two energy stocks in its portfolio. Aside from Canadian firm Suncor Energy, the other integrated energy company is Texas-based **Occidental Petroleum**.

Buffett invests in companies that exhibit solid fundamentals, durable earnings power, and the potential for continued growth. I suppose the value investor is holding onto Suncor for those reasons.

While this \$39.59 billion company is still on a slump and losing by 37.7% year to date, the stock is faring better since reporting its Q1 2020 earnings results on May 5, 2020. Suncor's gain is 12.5%. At \$25.96 per share, the dividend yield is 3.32%.

It will take some time for this large oil producer to recover following the oversupply and oil price crash. According to Suncor's CEO Mark Little, the energy system will see a transformation in the not-too-distant future. As the oil sands king, however, expect Suncor to lead and introduce innovative low-carbon solutions.

## Not gun-shy

Buffett has become ultra-conservative. And while he might still [pull a rabbit out of his hat](#), but Ackman has beaten him to the draw in 2020.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:QSR (Restaurant Brands International Inc.)
4. TSX:SU (Suncor Energy Inc.)

## **PARTNER-FEEDS**

1. Business Insider
2. Msn
3. Newscred
4. Sharewise

### **Category**

1. Dividend Stocks
2. Energy Stocks
3. Investing

### **Date**

2025/08/25

### **Date Created**

2020/06/09

### **Author**

cliew

default watermark

default watermark