



If You Have \$2,000, Buy These 2 Stocks Right Now

Description

It's a great time to invest, especially if you have a long time horizon. A diversified portfolio is usually best, but there are two stocks worth your undivided attention. Betting on these businesses could mint you a fortune, even if you start with as little as \$2,000.

The first company on this list is run by the Warren Buffett of Canada. Few businesses have a track record that can compare, yet due to the [coronavirus](#) pandemic, shares trade at a *ridiculous* valuation.

The other company on this list directly benefits from one of the biggest [growth](#) opportunities in human history. If you want a stock you can own for decades, this is it.

Bet with the master

Fairfax Financial ([TSX:FFH](#)) is a wonderful stock. Just look at its long-term track record. Since 1986, shares have risen by an average of 15% per year. If you invested \$2,000 at inception, you'd now have a nest egg worth more than \$250,000! That's the power of compound interest.

The magic behind these returns is a person that many deem the Warren Buffett of Canada: Prem Watsa.

Born in 1950, Watsa has become one of the best investors in recent memory. His personal net worth exceeds \$1 billion. Countless millionaires have been minted thanks to his investing prowess. His strategy, it turns out, is almost identical to Warren Buffett's.

Fairfax owns a litany of insurance businesses. These holdings generate regular cash flow. Watsa invests this cash. The insurance profits produce positive returns, but it's the investing side that generates such spectacular long-term results.

In 2008 and 2009, for example, when stock markets were plunging worldwide, Fairfax shares *gained* in value. Watsa had taken out big bets against the U.S. economy. His investors came out of the crisis as winners.

Now trading at *half* its theoretical book value, this is a perfect time to trust your money with a proven investing master.

This stock is surging

Brookfield Renewable Partners ([TSX:BEP.UN](#))([NYSE:BEP](#)) is another stock with a fantastic long-term track record. Over the past decade, shares have risen *five times* in value. A \$2,000 investment would be worth \$10,000. That's not even including dividends, which currently pay a 3.3% yield.

Fairfax makes its money through insurance and the investing prowess of Prem Watsa. Brookfield profits by owning assets directly tied to population growth. If the world gets bigger, the company capitalizes.

For example, Brookfield owns interests in seaports, highways, cell towers, data centres, pipelines, and wind farms. More people means more demand for these assets.

The best part is that Brookfield runs an *active* portfolio. When prices rise, it monetizes mature assets. When prices fall, it turns into a buyer. There isn't a lot of competition for these mega-assets, meaning the company secures fantastic deals.

Over the next few decades, management anticipates generating annual returns for equity holders between 12% and 15%. The stock has *exceeded* those lofty targets since the company went public in 2009.

The United Nations believes that global populations will rise until at least 2100. If you want to put some cash into a long-term investment, this should top your buy list.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Energy Stocks
5. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:FFH (Fairfax Financial Holdings Limited)

PARTNER-FEEDS

1. Business Insider

2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

Category

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Energy Stocks
5. Investing

Date

2025/07/03

Date Created

2020/06/23

Author

rvanzo

default watermark

default watermark