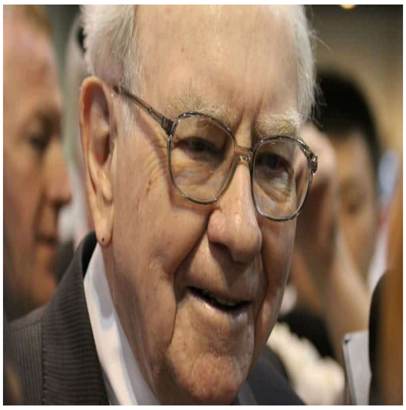

Warren Buffett Just Signalled His Next Big Move

Description

After an incredibly quiet start to the year, it seems as though Warren Buffett has come out of hiding. The billionaire investor barely touched anything during the market crash back in March, yet lately it seems as though he has finally made some big decisions.

It all started with Warren Buffett buying into a natural gas company. This has many economists worried that Buffett would simply keep doing the same old thing. While tech companies and other industries were doing well, Buffett doubled down that oil and gas could rebound. Until recently.

Warren Buffett has made two huge moves that have investors re-thinking that the man could be losing it. I mean really, we should never have doubted him. Buffett first made a huge investment into general trading companies in Japan. The mega investor made a US$6 billion bet on five Japanese trading companies. The investment comes from the belief that these Japanese companies have immense value thanks to long-term structural improvements.

Then, Warren Buffet made news yet again on September 9 when he made a US$250 million bet on the initial public offering of a tech company. This is the biggest move he has every made in the tech industry, as Buffett historically waits to see how shares will play out before buying up a stock like this. However, for **Snowflake Inc.** he made an exception. The company provides cloud-based data storage. Given the world's movement online, this is an excellent bet made by the investor.

But what about for the everyday investor? If you want to make moves like Warren Buffett, consider these two to add to your watch list.

Canadian Pacific

If you want general trading, then a safe and stable bet has to be **Canadian Pacific Railway Ltd.** (TSX:CP)(NYSE:CP). CP has provided years of steady growth after reinvesting in its infrastructure and making huge cost cuts. Now that the heavy lifting is over, investors have seen a steady stream of revenue from the company.

While sales and earnings per share are down for the year, it's only been by about 1% and 2%, respectively. Economists predict that sales and earnings will be back to normal now that businesses are up and running again. As for shares, after a dip from the market crash, share prices are at all-time highs.

While this isn't ideal for value investors, it's great for those looking for steady and stable growth. In the last five years, the company has seen a return of 116% as of writing, with a compound annual growth rate (CAGR) of 16.67%.

Open Text

If you're looking to get into cloud-based services, then I would highly consider **Open Text Corp.** (TSX:OTEX)(NASDAQ:OTEX) as your top choice. The company provides enterprise information management through its cloud services, and has been in growth mode in the last few years.

Open Text software manages content and data for large companies, companies such as **Alphabet** just to name drop. Companies like this are perfect for those looking to get in on cloud-based software. With companies big and small needing to find safe ways of managing data, Open Text provides the largest companies a secure method of doing just that.

Again, the company is trading near all-time highs, but those highs should continue to rise in the future. The company actually has decades of historical growth, providing investors with a stable background that other tech companies simply don't have. And while CP may be down, this company is way up for earnings per share and sales.

Its EPS is currently up 245% year over year, with sales up 2.3%. Meanwhile, in the last five years the company saw a 171% return, and CAGR of 22%.

Bottom line

If you want to act like Warren Buffett, these are the perfect stocks to pick up. Both are perfectly situated to make a killing even if more market crashes come down the line. It's no wonder that the Oracle of Omaha finally broke the silence for winners in these industries.

CATEGORY

1. Coronavirus
2. Investing

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1. NASDAQ:OTEX (Open Text Corporation)
2. NYSE:CP (Canadian Pacific Railway)
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