



Warren Buffett: His Tech IPO Price Just Went Through the Roof!

Description

Is Warren Buffett ecstatic over the massive gains in his [second IPO investment](#)? He must be, even though he's been advising people to stay away from IPOs. Cloud computing company **Snowflake** made its market debut on the NYSE on September 14, 2020, and finished the day with a 112% gain.

Over the years, the GOAT (greatest of all time) of investing has never participated in IPOs. He said it's all hype and an unnecessary gamble. Before **Berkshire Hathaway's** investment in Snowflake, Buffett's only IPO deal was **Ford** in 1956. Because of his influence, the tech IPO went through the roof and delivered a cool \$800 million gain to Buffett.

Altered preferences

COVID-19 brought a sea change to the pioneer of buy-and-hold investing. Likewise, the pandemic altered Buffett's [tastes](#). His recent moves are not in sync with his style. The Oracle of Omaha mocked gold, yet he dropped fast-food chain icon **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) then took a position **Barrick Gold**.

A tech IPO is not part of his master plan, although it seems his lieutenants at Berkshire won their pitch and got the blessing. Buffett's conglomerate invested around \$730,000. On day one of Snowflake on the NYSE, the investment's value climbed to \$1.55 billion.

Buffett has been avoiding technology too but is expressing regret lately for missing on **Amazon.com's** meteoric rise. His stock portfolio consists of old, reliable stocks, such as **Bank of America**, **Coca-Cola**, and **American Express**. Interestingly, **Apple** is the single biggest stock holding. The investment in the iPhone maker is 44.18% of the total portfolio.

Best value

Buffett's influence was hardly felt when news that he sold all his holdings in Restaurant Brands broke out. The owner of global brands Burger King, Tim Hortons, and Popeyes is back on investors' radars.

Market analysts pick Restaurant Brands as one of the best-value restaurant stocks in the second half of 2020.

The stock has rallied past the horrendous shutdowns and is down by only 8.65% year to date. At the end of Q2 2020, Restaurant Brands has met 90% of last year's system-wide sales. With 93% of its restaurant locations open worldwide, normalcy is returning. Drive-thru, delivery, and digital channels are doing great and bringing in sales.

In the same quarter, the net restaurant count went up by 3.9% year over year to 27,059. Popeyes's first store in China opened in May 2020. Although dine-in restaurants might not return soon, Restaurant Brands is looking to operate 40,000 restaurants over the long term. Billionaire Bill Ackman believes the fast-food business will make hay in the years ahead.

Winning form

The question now is whether investors will follow Buffett's lead. He's back to his winning form after being inactive for most of the 2020 market crash. Berkshire has billions of dollars in the war chest that are deployable at any time. However, the company is not aggressively pursuing bargain deals.

But one thing is for sure. Warren Buffett will stick to his long-term value investing approach. The legendary investor is laser-focused on businesses he understands — companies with favourable long-term prospects and competent management teams. However, the prices must be attractive to lure him into buying.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. TSX:QSR (Restaurant Brands International Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
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