Get Rich Slowly: A Stellar Growth Stock to Buy Right Now, Even in the Face of a Worsening Pandemic

### Description

Many beginner investors desire to get rich quickly. The pursuit of near-term gains at the expense of downside risks can be harmful to your wealth, though, as it often leads newbies towards speculating and playing the game of greater fools (based on the greater fool theory). If you don't have a sound fundamental thesis and are just chasing sheer momentum, that's not investing. It's speculating.



Unrealistic expectations lead one down the path of the speculator. Speculation may result in a euphoric rush from near-term upward price movements sooner or later. Heck, it may even be fun. Sooner or later, one could be left holding the bag for the hundreds of other speculators that have chosen to cash in their chips before the rest of the herd.

## To get rich slowly, don't set unrealistic expectations!

If you want to invest and not gamble, curb your return expectations. Seek to get rich, but seek to get rich within a reasonable time frame, so you won't be forced to gamble with your hard-earned investment dollars to hit your annualized return goals. You should seek to get rich slowly. The slower, the better.

For beginner investors, I like to take a page of Charlie Munger's playbook with a "sit on your bum" approach to investing. Once you find an opportunity to pay for an unfairly discounted stock, you'll need the patience, conviction, and time horizon to hold onto the stock until the market has had a chance to "correct" its mistake to the upside. Like downside corrections, upside corrections tend to go unrecognized anywhere from a few months to many years.

If you're willing to put in the homework by conducting a careful analysis of a company and its financials, you should also be willing to hold onto the name until the correction to the upside comes to fruition. Some stocks are more challenging to value than others, as exogenous factors and the macro environment can drastically alter an investment thesis.

# A fast-food kingpin that’s undervalued if you can look past 2021

Consider **Restaurant Brands International** (TSX:QSR)(NYSE:QSR), the fast-food kingpin behind Tim Hortons, Popeyes, and Burger King. Shares of the name fell off a cliff back in February and March, as the coronavirus crisis stood to decimate the operating cash flow stream of restaurants amid full and partial economic shutdowns.

As expected, Restaurant Brands saw its revenues take a hit to the chin due to the crisis. Dining room closures and an increased appetite for homemade meals weighed on Restaurant Brands’s results, and they’ll probably continue to do so for the duration of this crisis, as dining rooms could flip-flop between opening and closing depending on the severity of outbreaks in specific geographies.

As long as the insidious coronavirus is still lingering out there, Restaurant Brands, a profitable, capital-light growth business, remains tough to value. While the crisis could drag on through 2021 and beyond, I think the near-term headwinds are clouding the long-term fundamentals, which remain as strong as ever.

# Foolish takeaway on Restaurant Brands and getting rich slowly



For those willing to pay less merit on the pandemic-plagued medium term, I believe there’s significant upside for contrarians willing to stand by Restaurant Brands, as it looks to heal from this crisis. Once the broader masses are vaccinated, I not only suspect revenues will bounce back in a V-shaped fashion for Restaurant Brands, but the recessionary environment is likely to fuel an increased appetite for low-cost, fast-food options, and that bodes well for the firm’s top line.

With a solid balance sheet, Restaurant Brands will live to see better days. The same can’t be said about many of its small non-franchised peers that have already begun to fall under profound financial distress.

**CATEGORY**

1. Coronavirus
2. Dividend Stocks
3. Investing

**TICKERS GLOBAL**

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

**PARTNER-FEEDS**

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2. Koyfin
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