



Warren Buffett: You Should Try to Mimic These Investors

Description

People still listen to and follow Warren Buffett. He has shared more than 100 quotes that give investors the [confidence to pursue financial goals](#). Many consider the American tycoon as one of the most successful investors in the world.

Buffett is well loved, not only for his brilliant strategies but for his humility as well. There's a pilgrimage to **Berkshire Hathaway's** meeting every year in Omaha, Nebraska. It's an anticipated event, because the legendary investor gives new nuggets of wisdom.

However, the Oracle of Omaha doesn't want people to focus on him alone. He has a list of quality shareholders (QS) he believes are some of the best investors. You can try to mimic their styles and [realize superior returns](#).

Differentiating attributes

Benjamin Graham, the father of value investing, is tops on the list. Buffett learned to evaluate companies, minimize downside risk, and have a margin of safety from Graham. He enhanced Graham's teachings by giving importance to business quality and holding the stock for the long haul.

British economist John Maynard Keynes can be a source of inspiration for investors. The economist was the first to advise that it's foolish to chase the market. Also, make sure to put your money in businesses you know something about.

Buffett includes John Neff of Wellington Management and Thomas Rowe Price, founder of T. Rowe Price Group, as investors with QS pedigrees. The focus of these investing stalwarts set them apart. The QS group has sizable stakes in outstanding major companies, which they've held for many years.

Neff, a well-known mutual fund manager, prefers companies with price-to-earnings (P/E) ratios of 40-60% below that of the market's P/E. Likewise, he picks dividend-paying companies with a historical earnings-growth rate between 7% and 20%.

Price is a legend at Wall Street and also the proponent of the growth stock philosophy. He viewed financial markets as cyclical. When he struggled during the Depression, he learned to embrace stocks instead of staying away from the market.

New safety net

In the 2020 pandemic, Buffett broke some of his investment tenets. He's not a fan of IPOs, Japanese equities, and gold, yet Berkshire Hathaway took positions in all. Among his latest investment is **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD). He dropped fast-food chain operator **Restaurant Brands International** and replaced it with the Canadian gold producer.

Mining investors were more than happy with Berkshire investing in gold stocks. Perhaps Buffett is afraid of what will happen next with the second wave of COVID-19, so he's seeking the safety of gold stocks. Typically, shares of mining companies follow the price of actual gold. Also, Barrick Gold is perfect if there's a debasement of currencies against hard assets.

Barrick Gold is outperforming the TSX (+50.7% versus -3.10%) year to date. The stature of this \$64.05 billion company should rise if the gold industry consolidates. According to Barrick's CEO Mark Bristow, more consolidation will increase exploration, boost depleting reserves, attract more generalist investors, and improve efficiencies.

Worth following

The elite QS group is not obsessed with the short term. They measure performance over many years and invest in the long term. Buffett says his followers can follow them too with their money.

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