



Warren Buffett: He Only Holds These 2 TSX Stocks in His Entire Portfolio

Description

Warren Buffett's conglomerate took a [nasty fall](#) in the first quarter of 2020, losing a collective US\$54.5 billion during the period. **Berkshire Hathaway** had no recourse but to unload shares of losing investments, particularly all airline companies.

Thanks to **Apple's** and **Amazon.com's** stellar performances, Buffett's portfolio gained \$34.5 billion in the next quarter to pare down the losses. As of June 30, 2020, Berkshire's basket held 44 stocks. However, a few more purchases followed in the third quarter, including participation in the IPO of tech startup **Snowflake**.

If you're interested in taking positions in Buffett's Canadian stocks, there are only two from the TSX: **Barrick Gold** ([TSX:ABX](#))([NYSE:GOLD](#)) and **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)). The former is performing remarkably in 2020, while the latter remains in the sinkhole.

More glitter

Berkshire's purchase of 21 million shares of Barrick Gold shares in Q2 2020 surprised investors. Buffett was never a fan of the precious metal. He described it as a good-for-nothing asset — contrary to many who think that [gold is a safe haven](#) if the market is declining.

COVID-19 has changed Buffett's perception of gold. Suddenly, he realized that physical gold or gold-related investments are safety nets. His choice of Barrick Gold is excellent. The \$61.97 billion Canadian miner is the world's second-largest gold-producing company.

Gold investors are more than delighted to be alongside Buffett in the mining sector. Barrick is outperforming with its 45.8% gain year to date. Had you invested \$20,000 on December 31, 2020, your money would be worth \$30,485.36. For would-be investors, the gold company also pays a 1.36% dividend.

There's no doubt that Buffett's entry will add more glitter to Barrick Gold and attract more investors.

Hard-luck energy bellwether

Erstwhile, dividend aristocrat Suncor Energy has lost its appeal with investors, but not if you were Warren Buffett. Instead of ditching the struggling energy stock as Berkshire did with **Restaurant Brands International**, it bought more Suncor shares in Q2 2020.

Suncor is performing dismally in 2020. The \$29.05 billion oil sands king slashed its dividends after Q1 2020. Investors are losing by 53.81% year to date. From 8.54%, the dividend yield is down to 5.5%. Still, the energy stock pays a higher dividend than Barrick Gold. A \$20,000 investment will produce \$1,100 in dividend income.

In Q3 2020, Suncor posted modest losses compared with the previous quarter. However, the outlook remains gloomy following the worst month of oil in October. Prices hit a five-month low due to rising COVID-19 cases and renewed lockdowns. Also, OPEC may not continue with production cuts next year.

Canada's second-biggest oil producer will keep capital spending flat in 2021 if North American oil prices remain at or around current levels. According to Suncor's CEO, Mark Little, the company will raise spending by 10-15% if West Texas Intermediate prices are over \$40 per barrel.

Better buy

Between the two Canadian stocks of Warren Buffett, Barrick Gold is the better buy. Gold is one asset class that's safe to own when things are uncertain or the market is crashing. Suncor's future is hazy, but with Buffett sticking with the energy stock, many assume it's his value stock in Canada.

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