



## Warren Buffett: How to Turn a Market Crash Into Millions!

### Description

Warren Buffett once said, “A climate of fear is their [investors] best friend. Those who invest only when commentators are upbeat end up paying a heavy price for meaningless reassurance.” The point is that those who invest when markets are ugly and stocks are down are generally the ones that come out the best in the long run. The reality is, there aren’t many options to build wealth these days other than through stocks.

### No place but the stock market

Interest rates are at all-time lows, making bonds and savings accounts a poor place to really *build* wealth. With all that has happened in 2020, the stock market may seem like a less than ideal place to build wealth. Warren Buffett has aptly stated before, “Charlie and I believe it’s a terrible mistake to try to dance in and out of [the market] based upon the turn of tarot cards, the predictions of ‘experts,’ or the ebb and flow of business activity. The risks of being out of the game are huge compared to the risks of being in it.”

### Stick with the market like Warren Buffett

If you want to become a millionaire the Warren Buffett way, you just have to learn to stick with the market. In fact, an investor’s best friend is truly time itself. [Find the best companies](#) in the worst markets, and then plan to hold them through thick and thin and everything in between. Fortunately, stock markets go up way more than they go down. By staying invested in stocks over a lifetime, you actually stack the odds of success significantly in your favour.

So, you want to be a millionaire? Here are two TSX stocks that are perfect winners the Warren Buffett way.

### Enbridge is unloved, but now is the time to own it

The first stock is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). As was demonstrated in this week's cyclical recovery "explosion," the closer we are to a cure, the better stocks like Enbridge will fare. While there is nothing exceptionally exciting about pipelines and natural gas infrastructure, they are a perfect Warren Buffett investment.

In fact, earlier this year, Warren Buffett acquired a \$10 billion natural gas pipeline in the eastern United States. Pipeline stocks like Enbridge are attractive right now. First, they are cheap. Enbridge is trading with a forward price to earnings of 14 times, which is a three-year low. Likewise, it trades with a dividend yield north of 8% — almost 3.5% higher than its five-year average. Its dividend is well covered by a stable, contracted/regulated cash flow stream.

On Thursday, Enbridge [announced](#) that it had received another set of approvals and permits for its Line 3 project. All this bodes well for a potential completion of the project sometime in 2021. As the world recovers, investors could expect a meaningful uptick in energy activity, and investor sentiment could rapidly improve. Buy it now, lock in a great dividend, and wait as the world recovers.

## Warren Buffett would love this TSX stock

Another great Warren Buffett stock is **Brookfield Business Partners** ([TSX:BBU.UN](#))([NYSE:BBU](#)). Like **Berkshire Hathaway**, it owns and operates a mixed variety of businesses, including private hospitals in Australia, mortgage insurance in Canada, international nuclear services, and water/waste water management in Brazil. It acquires companies in distressed situations, re-capitalizes them, and then applies strong management practices to turn them into cash-flowing machines.

It focuses on compounding returns for investors, and targets average annual returns of 15% or better. Compound that over a lifetime, and you'll quickly be on your way to becoming a millionaire. The stock and business have faced challenges from the pandemic. Yet it has a strong balance sheet (\$2.2 billion of liquidity) and a global management team with expertise in turning businesses around.

If you like long-term, Warren Buffett value, but don't mind some short-term volatility, this stock is perfect pandemic recovery stock to own.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks
4. Investing

### TICKERS GLOBAL

1. NYSE:BBU (Brookfield Business Partners L.P.)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:BBU.UN (Brookfield Business Partners)
4. TSX:ENB (Enbridge Inc.)

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