



Warren Buffett: Patience Will Translate to Massive Returns

Description

Warren Buffett is a patient investor. Yet, patience remains an undervalued quality in investing. But it is one of those qualities that can make all the difference. Because we can't always time our market moves. In fact, the success rate of market timers is pretty bad. Even the "pros" have a bad track record.

That's just the nature of a market. There are so many variables that go into its moves. For example, [market psychology dictates many of its moves](#). Interest rates and global events also dictate many of its moves. And the list goes on and on. The point here is that it's difficult enough to predict these variables. To correctly time them as well is a big task.

Warren Buffett: "The stock market is a device for transferring money from the impatient to the patient"

So, we are left with the obvious. Since correctly timing the market has proved to be elusive, we need patience — patience to allow our investment thesis to play out through the ups and downs. Warren Buffett knows this. It's part of what has given him his success.

With this in mind, let's look more specifically at some stocks.

Would Warren Buffett buy Drone Delivery Canada stock here?

Drone Delivery Canada ([TSXV:FLT](#)) is a leading drone logistics firm based in Toronto. Its drone delivery business has big potential. But everything here is in the early stages. And Drone Delivery's stock is extremely volatile. The company is just starting out.

The business is definitely interesting. Drone Delivery Canada can allow access to remote markets. It can speed up delivery by bypassing highways. It can reduce costs. Ultimately, it is working to transform the last miles in the delivery chain.

But I think we can be patient with Drone Delivery Canada stock. If this business will take off, we have time to buy it. Time will prove out the bullish hypothesis. Or it will disprove it. Either way, when you decide to make a move, the risk will presumably be lower. I think Warren Buffett would also be patient and watch how this unfolds before stepping in.

Warren Buffett is buying natural gas

Natural gas stocks have been the losers of the last few years. [But this hasn't stopped Warren Buffett](#). In contrast, it is probably part of what interested him. This, and the fact that natural gas will be a vital energy source of the future, regardless of what the market is telling us.

Armed with patience and his conviction, he can safely venture into this space. Of course, he focuses on the best and biggest in the natural gas sector. This strategy enables him to minimize company-specific risk. He is left with a more direct play on the natural gas industry.

For us Canadians, the safest way to get natural gas exposure is through **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). I mean, there are other pure-play natural gas companies that also look good. But they're more risky.

Enbridge is one of North America's leading energy infrastructure companies. It transports nearly 20% of the natural gas consumed in the United States. Also, Enbridge Gas is North America's third-largest natural gas utility. It also transports about 25% of the crude oil produced in North America.

Enbridge stock is yielding 7.5%. This is a lot for stock like Enbridge. It has a defensive business. It's backed by consistent cash flows. And it has financial strength. Such a high yield in such a high-quality stock does not happen often. I think that Enbridge stock is a stock Warren Buffett would go for.

For those of you who want something with a higher-reward/higher-risk profile, I have something. **Peyto Exploration and Development** ([TSX:PEY](#)) is one of the lowest-cost natural gas producers. This company excels operationally and strategically. Its exposure to natural gas is high, at almost 90%. Peyto stock will skyrocket if and when natural gas markets strengthen.

Motley Fool: The bottom line

Warren Buffett has perfected patience in investing. The rewards are huge if we just remain patient. Having a long-term frame of mind goes hand in hand with this. Wait for your companies to fulfill their potential. And, of course, choose wisely.

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2. TSX:ENB (Enbridge Inc.)

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Author

karenjennifer

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