



## Warren Buffett Can't Match This ETF Superstar

### Description

Warren Buffett didn't have the best year in 2020. With **Berkshire Hathaway** stock up only 2.5% over the past year, he underperformed the S&P 500. After Buffett's dismal first-quarter results, investors started to shy away from Berkshire, resulting in inferior year-to-date performance.

For many investors, that's a sad reality. Buffett has been a source of inspiration to investors for decades, with his bets being copied by legions of followers. Now that Buffett is underperforming, it may seem like that North Star no longer shines so bright.

But that doesn't mean there aren't great stock pickers out there worth emulating. Many professional investors crushed it in 2020, and are looking good heading into 2021. Some even doubled or tripled their investors' money. In this article, I'll be profiling one ETF superstar who did just that — and who some think will do it again in 2021.

### Cathie Wood

Cathie Wood is the CEO and CIO of **Ark Invest**, an ETF company. Her firm offers a number of actively managed ETFs, all of which she manages herself. Her funds generally specialize in innovative technologies, like fintech and genomics. Tech stocks did phenomenally well in 2020, so it's not surprising that Ark funds did well too. However, Cathie Wood's 2020 returns were far better than those of the NASDAQ, as I'll show in the next section.

### How her funds did last year

The returns for Cathie Wood's funds over the past 12 months are as follows:

- **Ark Innovation ETF:** 150%
- **Ark Net Generation Internet ETF:** 152%
- **Ark Genomic Revolution ETF:** 185%
- **Ark Fintech Innovation ETF:** 104%

- **Ark Autonomous Technology and Robotics ETF: 101%**

These are all market-beating results. The Ark Genomic Revolution ETF in particular really crushed it. In 2020, the NASDAQ returned about 43%. So, all of Cathie Wood's funds beat the best-performing index of 2020 by a two-to-one ratio or better.

## Are there any Canadian stocks in her portfolio?

If you're a Canadian investor just hearing about Cathie Wood for the first time, you might be wondering whether she has any Canadian stocks in her portfolios. Everybody likes to see their home country's stocks do well, and a pick by Cathie Wood would seem to be a major positive sign for a company.

Unfortunately, after looking at the top 10 holdings for [Cathie Wood's funds](#), I wasn't able to find any Canadian stocks in the mix. However, there is *one* Canadian stock that's definitely *similar* to the kinds of stocks Wood invests in: **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)).

Like Wood's favourite stocks, this is a high-growth tech company with soaring earnings and [even hotter gains in the stock market](#). In its two most recent quarters, it grew revenue by 96% and 97% year over year. It also had positive earnings in both quarters.

Much like the tech stocks Cathie Wood invests in, Shopify is an innovative, fast-growing enterprise. And it may have more growth ahead of it. The transition from retail to e-commerce is a long-term secular trend that was accelerated by COVID-19 but began long before. Over the long run, more and more stores are going to go online. Shopify, as the leading platform for hosting online stores, will reap much of the rewards.

That's the kind of innovation that Cathie Wood likes to invest in. And investors who bought SHOP in 2020 would have gotten results similar to those of her funds.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:SHOP (Shopify Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
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