



## Warren Buffett: How to Increase Your Lifetime Value by 50%

### Description

Warren Buffett is a wildly [successful investor](#) whose name is now synonymous with Wall Street genius, if not the GOAT of investing. However, the man himself would not measure his success by prosperity or wealth like how people would generally do. He once said, “By far the best investment you can make is in yourself.”

Buffett’s quote refers to communication skills. The legendary investor believes that you could increase your value by at least 50% if you improve the skill. He tells students to learn to communicate better, writing and in person. The idea here is to be able to get your ideas across clearly.

### Self-made billionaire

The **Berkshire Hathaway** chief is a self-made billionaire, yet he refuses to believe his wealth or accomplishments is the ultimate measure of success. His investing track record is not perfect, although he’s quite adept at picking winners in the stock market. Thus, people can’t help but use his vast cash stockpile as the real metric.

### Competent investment team

Buffett will not take credit alone for Berkshire Hathaway’s 20.3% annualized returns for shareholders since 1965. He said his company’s success hinges on a competent investment team. Charlie Munger, his right-hand man, and investing lieutenants Todd Combs and Ted Weschler, surrounds him. They help fill in the research areas because Buffett has a narrow research focus.

### Invest in businesses you understand

You can say that Buffett has a one-track mind. The Oracle of Omaha confines his research to sectors, industries, and businesses where he feels most knowledgeable. His interest is mostly on time-tested companies with clear-cut competitive advantages. He also values proven brand names and does not

throw darts at high-reward prospects like tech stocks or cryptocurrencies.

## Altered preferences

In 2020 during the height of the pandemic, Buffett had a change of heart. He took new positions in investments he had avoided for years, like Initial Public Offerings (IPOs) and gold. For the first time since **Ford's** IPO in 1956, Buffett bought shares of tech startup **Snowflake**. It was the largest ever software IPO, and Berkshire made US\$800 million on Snowflake's market debut, according to reports.

Gold is also not on Buffett's radar, but he took a new position in Canadian gold producer **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD). His followers found the move peculiar because Buffett views gold as an asset that will never produce anything. Perhaps he needed a safety net or [perfect hedge](#) against a struggling U.S. economy and a weakening American dollar.

As of quarter ended September 30, 2020, Berkshire owns 12 million Barrick Gold shares. The gold stock delivered a total return of 21.8% in 2020, but is down 1.34% thus far in 2021. Assuming Buffett keeps Barrick Gold this year, his company can collect \$5,527,452 as the stock pays a 1.61% dividend.

Warren Buffett is unassuming and humble about his wealth. He did not gamble on mediocre companies and stuck to businesses he understands. Moreover, blue-chip stocks are top-of-mind since most of them have mature businesses and established dividend-payers.

## Increase your lifetime value

The GOAT of investing doesn't want people to measure his success by his fortune through the years. Instead, he prefers that you follow his investment tip to increase your value by 50%.

### CATEGORY

1. Dividend Stocks
2. Investing
3. Metals and Mining Stocks

### TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. TSX:ABX (Barrick Mining)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

**Category**

1. Dividend Stocks
2. Investing
3. Metals and Mining Stocks

**Date**

2025/07/17

**Date Created**

2021/02/11

**Author**

cliew

default watermark

default watermark