



Warren Buffett Isn't Buying Much — But He's Holding These 2 TSX Stocks

Description

Warren Buffett is undoubtedly one of the [greatest inspirations](#) in the stock market investing world that most investors revere. His investment decisions over the decades have made him one of the most successful investors of all time.

It is not possible to enjoy the same success as Buffett by investing in the companies in his portfolio right now. However, keeping a close eye on his investment moves might provide investors with a good idea of where the best opportunities might exist in the current environment.

Buffett has not bought much during the pandemic, but he has held onto two **TSX** stocks. I will discuss both Canadian acquisitions and what his moves might entail for investors interested in the same stocks.

Beaten-down sector

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) took a massive beating since before the pandemic was even a blip on the radar due to the oil price crisis. The onset of COVID-19 sent prices further down the ditch. To add to the energy sector's woes, Joe Biden's US presidential election victory has increased pressure on the Albertan oil patch.

Suncor's 2020 meltdown might be overdone, leaving opportunities for value investors to bank on its recovery in the coming years. The company may face headwinds with an increasing preference for renewable energy and a bearish stance on fossil fuels. However, Buffett's decision to hold onto the stock means that it could still hold more value in the coming years.

Buffett's pot of gold

Barrick Gold ([TSX:ABX](#))(NYSE:GOLD) was a shocking acquisition by Buffett's **Berkshire Hathaway**. It is not entirely clear whether Buffett made the decision to buy shares of the Canadian gold mining company himself, but he did not object to it either. It means that he might not be as averse to owning gold-related assets in the current market environment.

Buffett has never been a fan of owning gold for the long-term. However, [Buffett hates alternative assets like Bitcoin](#) and fixed-income securities even more. Buffett's willingness to let Berkshire scoop up Barrick Gold shares and holding on to the investment means that he is adapting with the times.

He might still regard gold as an unproductive asset, but it is the only one that can preserve your wealth from an uptick in inflation. Barrick gold and other gold miners enjoy substantial profits as gold prices rise and provide value to investors through both capital gains and dividend payouts.

Foolish takeaway

With the rise of renewable energy producers like Brookfield Renewable Partners, it remains to be seen how long Canadian energy sector operators like Suncor can last. It is possible that Suncor's meltdown was overdone, and it will recover its valuation as the pandemic subsides.

Gold prices rise when there is increasing uncertainty and inflation in the markets, making gold a safe-haven asset for investors fearing a market crash. However, its prices also fall as the economy recovers, reducing profits for gold miners like Barrick Gold.

It is interesting to see how long Buffett chooses to hold onto both Canadian stocks. I would suggest being cautious with your capital if you want to invest in the same companies as Buffett.

CATEGORY

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2. NYSE:SU (Suncor Energy Inc.)
3. TSX:ABX (Barrick Mining)
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