



Warren Buffett: 3 Top Stocks I'd Buy to Mirror His Latest Bets

Description

The stock market has been quite expensive of late, but don't think for a moment that there's no [value](#) out there. Warren Buffett recently loaded up on the telecoms, healthcare stocks, and bruised oil stocks, all of which reek of value following the coronavirus crash.

Given Buffett has spread his bets across the industries he's set his crosshairs on, I believe that there is deep value to be had in the big-league players in each respective industry. So, if you're not keen on betting on [Bitcoin](#) or other "sexy" plays here, I think it's wise to take a page out of Uncle Warren's playbook by rotating into good, old-fashioned value.

Deep value in a frothy market

In this piece, we'll have a look at three Canadian plays to mirror Warren Buffett's latest moves. Consider hard-hit energy kingpin **Canadian Natural Resources** ([TSX:CNQ](#))([NYSE:CNQ](#)), deeply discounted biopharmaceutical firm **Bausch Health Companies** ([TSX:BHC](#))([NYSE:BHC](#)), and top-tier telecom titan **Telus** ([TSX:T](#))([NYSE:TU](#)).

Warren Buffett likes energy: Buy Canadian Natural Resources

Canadian Natural is the new king of the oil sands. The company had its fair share of struggles last year after oil prices fell off a cliff, but things are finally starting to look up for the big fossil fuel firm. As I predicted last year, WTI would surpass the US\$60 mark. With the pandemic's end likely in late 2021, I wouldn't at all be surprised if WTI broke the US\$75 levels by year's end.

While most others would rather pay a hefty premium for green energy plays, I think it's a wiser idea to look to Canadian Natural, which is one of the cheapest high-quality big oil bets out there today. The company walked away with one of the best deals of 2020, with Painted Pony Energy. And as the spigot turns on in the Albertan oil sands, I wouldn't rule out a huge re-valuation in battered shares of CNQ.

Warren Buffett likes health care: Buy Bausch Health Companies

There isn't much of a selection on the TSX Index when it comes to healthcare companies. Bausch Health Companies is the best of the batch, though, and it's ridiculously cheap at current levels. A Bausch + Lomb spin-off bodes well for both the parent and the spun-off entity. The stock was recently scooped up by investment legend Carl Icahn, causing shares to surge.

Many sell-side analysts have also been upgrading the stock quickly this past week, with the latest coming from RBC Capital, which upgraded BHC stock to outperform with a US\$42 price target. At 1.4 times sales, Bausch is still cheap, and I think it'd be a wise move to follow Carl Icahn into the stock and Warren Buffett into the sector that reeks of defensive growth and value.

Warren Buffett likes telecoms: Buy Telus

Telus is a Steady Eddie telecom that's held its own remarkably well through COVID-19 headwinds. The company has been gaining ground on its top competitor in the west in **Shaw Communications**. With the next generation of telecom tech on the horizon, I think Telus will enjoy a first-mover advantage that could be a source of meaningful margin expansion over the medium term.

Management has done a spectacular job of fighting off the competition, and I think the company will start taking big shares away from those who dare step on its turf. Things are looking up for wireline and wireless, and while the stock isn't as hard hit as its peers, I still think shares are among the most undervalued when you factor in the firm's incredible resilience and its share-taking potential.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Stocks for Beginners

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BHC (Bausch Health Companies Inc.)
2. NYSE:CNQ (Canadian Natural Resources)
3. NYSE:TU (TELUS)
4. TSX:BHC (Bausch Health Companies Inc.)
5. TSX:CNQ (Canadian Natural Resources Limited)
6. TSX:T (TELUS)

PARTNER-FEEDS

1. Business Insider

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

Category

1. Coronavirus
2. Dividend Stocks
3. Investing
4. Stocks for Beginners

Tags

1. Editor's Choice

Date

2025/08/21

Date Created

2021/02/19

Author

joefrenette

default watermark

default watermark