



## Warren Buffett: Is He Avoiding Canadian Stocks?

### Description

Warren Buffett led **Berkshire Hathaway** (NYSE:BRK.A)(NYSE:BRK.B), made another round of telling revelations with its latest 13F filing with the Securities and Exchange Commission (SEC).

Investors with a keen eye to watch the Oracle of Omaha's investment moves were all ears to see what the billionaire investor invested in during the last three months of 2020, and there was plenty to process.

Canadian investors were particularly interested in Buffett's decision to buy or sell Canadian stocks so they could decide whether to follow suit with his moves.

### Buffett sold GOLD

Buffett had purchased a stake worth approximately US\$565 million in **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD) in Q2 2020. Shortly after investing in the company, Buffett trimmed down his position in the company by the next 13F filing.

The latest 13F filing by Berkshire revealed that he exited his position in the Canadian gold and copper mining company. Despite being known as a buy-and-hold investor who holds onto his position in companies for decades, Buffett has made the odd buy-and-sell move.

Barrick Gold provided him with short-term profit, and it seems that the Oracle of Omaha decided that he will cash out before the stock's valuation goes down.

### New acquisitions

Buffett made several other interesting moves in the last three months of 2020. He purchased significant stakes in four publicly traded companies in the US. He added telecom giant **Verizon**, insurance brokerage **Marsh & McLennan**, **EW Scripps**, and the energy giant **Chevron** to Berkshire's portfolio.

Purchasing almost 48.5 million shares of Chevron through an investment of US\$4.10 billion in the company, he has established a solid position in the energy sector operator. It is a clear sign that Buffett's Berkshire is bullish on fossil fuel producers.

## Reduced exposure to TSX

Exiting Barrick Gold is a move that makes sense if you consider Buffett's stance on the rare yellow metal and stocks that rely on it. His decision to invest in Chevron showed Buffett's confidence in the energy sector.

However, the latest 13F filing made a surprising revelation that might confuse Canadian investors. Buffett trimmed his stake in **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) by selling 5.3 million of his shares in the company.

Suncor is now the only [Canadian stock in Berkshire's portfolio](#) after the conglomerate exited Barrick Gold.

The company recently released its Q4 2020 results on February 3, 2021. Its Funds From Operations (FFO) came in at \$1.22 billion, or \$0.80 per share – up \$1.16 billion, or \$0.76 per share, from the previous quarter. However, its FFO was still less than half from the same period in 2019. Its total upstream production was also marginally down from 2019.

The company faced significant challenges throughout 2020 due to the oil price crisis and the fallout from COVID-19. However, Buffett decided to stick with the company for the most part – until recently.

## Foolish takeaway

Buffett's recent moves show that he is [confident in the energy sector](#). But he has confused investors by trimming his stake in the only Canadian energy sector stock in his portfolio.

Suncor is trading for \$25.90 per share at writing. It is up 21.08% from its valuation at the start of the year. It remains to be seen why Buffett decided to trim down his shares. The Oracle of Omaha may be losing interest in Canadian stocks entirely.

If you are confident in the energy sector like Buffett, Suncor could still make an excellent stock pick to add to your portfolio.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

## TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. NYSE:BRK.B (Berkshire Hathaway Inc.)
3. NYSE:BRKA (Berkshire Hathaway Inc.)
4. NYSE:SU (Suncor Energy Inc.)
5. TSX:ABX (Barrick Mining)
6. TSX:SU (Suncor Energy Inc.)

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