



## Warren Buffett to Investors: The “2 Strings to Our Bow”

### Description

Warren Buffett remained largely silent throughout 2020, but that came to an end a few days ago. The 90-year-old investment mogul released his letter to shareholders of **Berkshire Hathaway**, discussing the last year and the strategies moving forward.

The mogul went over several strategies that have done well for Berkshire but also reiterated a few investing strategies that will do well for investors to remember on a whole. So, here's what investors can take away from his latest release and a Canadian stock to go along with it.

### Two strings to our bow

In his release, Warren Buffett states that there are “two strings to our bow” for Berkshire. The company maintains that it has holdings in marketable stocks — a collection of businesses. What it doesn't have is control of the operations of those companies, so it shares long-term prosperity.

This is similar to what investors have when they buy stocks. As a group, shareholders can push stocks to do well or not, and that makes shareholders powerful. Each shareholder has a vote, and your vote matters. If you choose to drop the stock along with others, it sinks. And, of course, the reverse is true. So, what you want is for that business to do well long term when you're investing. You don't need to control operations of the company to do that. You just need to know the fundamentals and the growth strategy for the future of the company. With that information, you can make a solid choice for your portfolio.

### Invest in businesses

While it's true that stocks like cryptocurrency continue to do well, Warren Buffett stands by his belief that it's a business that produces product that will do well in the future. Cryptocurrency is worth only as much as the world says it is. Yet even software-as-a-service provides something useful that investors can get behind.

Warren Buffett also believes that you should never bet against America. While the long-registered Democrat isn't exactly political, it seems in his recent letter he is in support of the way the U.S. has veered left during the recent election.

## Consider Shopify stock

So, it could be a great time to invest in stocks with solid U.S. exposure. One such stock I would consider to go in line with this trend would be **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). Sure, the stock is pricey, but there are a few reasons to get in on this stock now.

There are a few analysts that believe it could be 2021 that Warren Buffett finally invests in Shopify stock. The company continues to see rapid growth, with solid opportunities for growth in the future. It has created everything it needs from its business, from Shopify Pay to Shopify Fulfillment Centres. And, of course, it has massive exposure to the U.S. through its merchants and customers, with subscription revenue growing every quarter.

But the company is now going global, creating even more diversity for today's investors. Yet shares are down 14% from all-time highs, as investors believe a post-[pandemic](#) world won't need as much from Shopify. While management tends to agree somewhat, it still believes it will continue seeing massive growth. Sure, it won't be on a 2020 scale, but it'll be large nonetheless.

## Bottom line

It's always interesting hearing what the most famous investor in the world has to say. But you'll notice in his letter he doesn't even mention the pandemic. So, even though you may not own shares in [Berkshire](#) Hathaway stock, it doesn't mean you can't take away lessons from it. By investing in businesses long term that produce something the world will need for years, you can create a strong portfolio, pandemic or not. Shopify stock could be the perfect option for today's investor.

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### Date

2025/09/14

### Date Created

2021/03/05

### Author

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