



Warren Buffett Is Making Some Perplexing TSX Stock Trades

Description

One of the problems of setting your personal heroes and ideals on too high a mantle is that you stop seeing their mistakes. It's not just short-sighted; it also cuts your learning potential (from those ideals) in half. You focus only on their successes and strengths and lose important learning opportunities you have in their failures and weaknesses.

A lot of investors see Warren Buffett as a legendary figure — and with good reason. He has been in the game for decades, and his illustrious career is full of shiny wins and success stories that investors tend to mold their personal investment strategies on. But that doesn't mean there isn't potential in learning from Buffett's mistakes as well.

There is a catch. Buffett has admitted to some of his investment mistakes, including his airline bet. But there are some investment decisions that speculators might consider "mistakes," but Buffett might not, and his treatment of [Canadian equities](#) might fall in this grey area.

Buffett's waning love for TSX stocks

Even when Buffett started investing internationally, his first picks didn't come from across the border. He invested in companies overseas. Recently, he made a significant investment in Japanese companies. But his portfolio lacks a decent collection of TSX stocks. He exited his position in **Restaurants Brands International**, a company that came into existence because of Buffett.

Last year, he bought and sold **Barrick Gold**, which was an unusual investment to begin with. But Buffett didn't even give it a lot of time to sit in his portfolio.

Despite his winning oil bet in a U.S. oil giant, Buffett trimmed his stake in **Suncor** ([TSX:SU](#))([NYSE:SU](#)). If you have it in your portfolio, you might be wondering whether you should follow Buffett's footsteps and get rid of this oil giant or bet on the [recovery of the sector](#) instead.

Canadian investors

You don't need to stick to Suncor for mere pride or stubbornness — and neither should you follow Buffett blindly. Look into the company's merits, and how well they hold in sector's current situation. Suncor is still a major player in the industry, and despite its dependence on the costly-to-refine oil sands, the company probably has access to some of the most sustainable reserves in the world.

While Suncor lost some investor love when it slashed its dividends, it's likely not what triggered Buffett's trimming of his position in the company. He might be looking at a relatively bleak future for the energy sector, where heavyweights like Suncor might not be profitable long-term investments.

Foolish takeaway

Warren Buffett's relationship to the TSX stocks was never that strong, but it has waned even thinner in the last couple of years. But that doesn't mean you can't find true investment gems in the industry. Unlike Buffett, who has access and resources to invest anywhere in the world, you might have a better shot of understanding local industries and betting on strong TSX prospects.

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Author

adamothonman

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