



3 Stocks Warren Buffett Bought in 2020

Description

A year ago, many eyes turned to [Warren Buffett](#), as the COVID-19 pandemic shocked the world economy. Buffett displayed his usual optimism and even made an early bet on the airline sector. He would retreat from this position in quick order and opt for a different direction over the course of a challenging year. Today, I want to look at three stocks that the Oracle of Omaha bought in 2020. Should Canadian investors follow suit? Let's jump in.

Warren Buffett has stuck with this top Canadian energy stock

Warren Buffett has kept faith in the energy sector in recent years. Last summer, he added to his stake in **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)), a top integrated oil producer in Canada. Shares of Suncor have climbed 21% in 2021 as of early afternoon trading on April 13. The stock is up nearly 15% from the prior year.

Suncor cut its dividend in half in the middle of 2020. However, Suncor has a solid balance sheet and a business model that has provided stability in the face of low oil prices in 2020. Fortunately, oil and gas prices have rebounded in late 2020 and early 2021 on the back of surging demand.

The top energy stock offers a quarterly dividend of \$0.21 per share. That represents a 3.2% yield. Warren Buffett has stayed with this top Canadian energy stock through challenging times. It is worth your attention, as the oil sector looks poised to rebound in the months ahead.

Should you also stay away from gold?

Gold has been a controversial investing topic for decades. Warren Buffett has consistently advocated for betting on blue chips on the S&P 500 over an investment in the yellow metal. However, **Berkshire Hathaway** made a surprising \$500 million bet on **Barrick Gold** ([TSX:ABX](#))([NYSE:GOLD](#)) in 2020. This love affair would not last. Buffett has shed his exposure to Barrick Gold in late 2020.

His timing [could not have been better](#). The spot price of gold rose to a record high of over

US\$2,000/ounce in the middle of 2020. It was trading below the US\$1,750/ounce mark at the time of this writing. Gold has been outshone as an alternative asset by cryptocurrencies. Bitcoin has gone on another run this week, chalking up another all-time high valuation.

Low interest rates and loose monetary policy has often been bullish for gold. However, a recovering U.S. economy is granting the U.S. dollar momentum. This has placed downward pressure on gold. Investors may want to follow Warren Buffett's lead in this environment.

Warren Buffett is still in on healthcare in 2021

In late 2020, Warren Buffett bought shares in top pharmaceutical companies like **Pfizer** and **Merck**. He has since shed shares in Pfizer but remains invested in the latter. I'd [suggested](#) that investors should follow Buffett into the healthcare sector earlier this year.

Instead of seeking exposure to companies producing vaccines, Canadians may want to target healthcare stocks that are benefiting in other ways from the pandemic. **VieMed Healthcare** stock is up 49% from the prior year. The company provides in-home durable medical equipment and specializes in aiding clients with respiratory illnesses. **WELL Health** has achieved record earnings as engagement in the telehealth space has soared during the pandemic. Its stock is up over 350% year over year.

CATEGORY

1. Investing

TICKERS GLOBAL

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

PARTNER-FEEDS

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

Category

1. Investing

Date

2025/07/06

Date Created

2021/04/13

Author

aocallaghan

default watermark

default watermark