



Mimic Warren Buffett's Portfolio: Consider These 3 Stocks for Your Portfolio

Description

[Warren Buffett](#) is likely one of the most famous value investors ever. His strategy and principles have been copied by retail and institutional investors alike. However, his portfolio is much more diverse than simply a collection of value stocks. He also holds companies with growth potential and excellent dividend distributors. In this article, I will discuss three stocks listed on the **TSX** that could mimic his most essential holdings.

His largest position is a tech stock

When investors talk about Warren Buffett's investment principles, the term *value investing* is brought up a lot. However, what people often forget to mention is that his largest position (nearly 44% of his portfolio) is **Apple**. This is a company that has a long growth runway ahead but is regarded as more of a mature tech company. It also has a strong history of smart capital allocation, which Buffett places a lot of value in.

For Canadians looking for a stock that can serve a similar role in their portfolio, look no further than **Constellation Software** ([TSX:CSU](#)). Like Apple, it is a mature growth company that has a [long growth runway ahead](#). Constellation's president Mark Leonard is one of the most highly respected executives in Canada. Under his leadership, Constellation Software has gained more than 10,000% since its IPO. Since October 2007, Constellation stock has managed an average annual return of 39.9%.

This might be Warren Buffett's favourite industry

It seems as though Warren Buffett likes investing in banks. The financial sector makes up just under 26% of his portfolio, and the second-largest active holding in his portfolio is **Bank of America**. Although this particular stock isn't available on the TSX, I believe there's a Canadian bank that is a much better stock to invest in.

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is the top Canadian bank on the market and should continue to become more appealing over the coming years. Over the past year, Bank of Nova Scotia

stock has gained 53% (dividends included). This rivals many of the top growth stocks over that period. The stock also offers a very attractive forward dividend yield of 4.64% compared to that of Bank of America's 1.81% yield. Bank of Nova Scotia's current dividend payout ratio of 67% suggests the company will be able to maintain this exceptional dividend over the coming years.

Keeping people connected

Another large holding in Buffett's portfolio is **Verizon**. The stock is one of the largest and most dependable telecom companies in the United States. If I had to choose one stock that Canadians should consider as a viable proxy in their portfolio, I would pick **Telus** ([TSX:T](#))([NYSE:TU](#)). Telus operates the widest network coverage in Canada (although it's tied with **BCE** for the top spot).

The company also offers many services outside of its telecom services. Its Telus Health business segment is continuing to grow, offering a number of digitized health solutions to clinicians such as its EMR services. Most striking, however, is [its Babylon offering](#), which allows Canadians to seek medical attention virtually. This could be one of the biggest drivers of Telus stock's growth in the future.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. bank
2. Bank stocks
3. banking
4. canada
5. canadian banks
6. constellation software
7. dividend
8. dividend stock
9. dividend stocks
10. Editor's Choice
11. growth
12. growth stocks
13. investing
14. tsx growth stocks
15. value investing
16. Warren Buffet

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:TU (TELUS)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:CSU (Constellation Software Inc.)
5. TSX:T (TELUS)

PARTNER-FEEDS

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

Category

1. Dividend Stocks
2. Investing

Tags

1. bank
2. Bank stocks
3. banking
4. canada
5. canadian banks
6. constellation software
7. dividend
8. dividend stock
9. dividend stocks
10. Editor's Choice
11. growth
12. growth stocks
13. investing
14. tsx growth stocks
15. value investing
16. Warren Buffet

Date

2025/06/30

Date Created

2021/04/16

Author

jedlloren

default watermark

default watermark