



Warren Buffett Sold This 1 Canadian Stock: Is He Bearish on Canada?

Description

Investors often look to Warren Buffett to see what investments he has been making to model their investment strategies to follow suit. Canadian investors might have started to worry about what the CEO of **Berkshire Hathaway** might have to think about the Canadian economy, considering his recent moves.

The latest 13-F filing by his conglomerate showed that Berkshire Hathaway no longer held any Canadian companies in its portfolio. Buffett rarely ventures outside the U.S. markets for investments, but he has held multiple Canadian stocks over the years.

The last year and a half have seen him exit his position in Canadian equity securities. I will discuss the most recent Canadian company he exited and whether it should be a reason for Canadian investors to worry.

Buffett dumped his last Canadian stock pick

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) was the last Canadian stock that Buffett held in his portfolio. His latest 13-F filing revealed that he sold all his shares in the company. Earlier in the last year, Buffett sold **Restaurant Brands International** and **Barrick Gold** stock.

Canadian investors might understandably be worried that Warren Buffett is bearish on the prospects for the Canadian economy. However, that might not be the case. Warren Buffett uncharacteristically became a net seller of stocks last year for the very first time in over six decades as a stock market investor.

It is possible that Canadian companies just happened to be the victims of him unloading his stocks rather than representing his views on the Canadian economy.

Why did Buffett sell Suncor?

Warren Buffett has yet to discuss why he exited Suncor Energy, especially because the energy sector is on a strong run in the current market. Suncor offers many qualities that make it an ideal Buffett stock. It is trading for share prices far lower than its book value, and it offers a [juicy, yet sustainable dividend yield](#) due to its substantial cash flows.

The dwindling oil prices last year certainly affected its financials in 2020. However, the increasing demand for oil and gas in recent months means that the integrated operations for Suncor can help it make up for its losses last year. It is impossible to assume why he might have sold his stake in the company, but Suncor looks like [an attractive pick](#) for investors who want to capitalize on the resurgent energy sector.

Foolish takeaway

Warren Buffett has almost always come out stronger on the other side of devastating market conditions over the decades. However, 2020 was not a year that many investors, including the Oracle of Omaha, might consider an easy year. It was the first time that he became a net seller and exited entire positions.

A quick look at his recent move to exit Suncor Energy might seem like Buffett is bearish on Canada. Considering that he became a net seller last year and had only three Canadian stock picks to begin the year, Buffett exiting Canada might not be him giving the cold shoulder to the country. It might as well have just happened to be an unexpected result. Suncor may be an excellent addition to your portfolio regardless of Buffett exiting the stock.

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2. Energy Stocks
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2. TSX:SU (Suncor Energy Inc.)

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