



Don't Buy Warren Buffett Stocks: Do This Instead!

Description

Warren Buffett is widely known as one of the best investors ever. There is no doubt that the performance he has put up throughout his career will be one of the best investing performances of all time. So, it's natural that many Canadians want to know what stocks Warren Buffett is buying and selling.

[Buffett](#) has proven for decades that the stocks he buys and holds for the long term are often some of the best businesses. While this is important, and you can learn a lot from the businesses he buys, and when he buys them, it doesn't necessarily mean you should look to do the same.

Buffett has a different portfolio than every other investor, and furthermore, he has a much different capital position than many retail investors. Because of this, naturally, the reasons to make decisions or buy stocks will be different for everyone.

For example, Warren Buffett may buy a bank stock next. If you already own plenty of financial stocks that you are happy with, though, it may not make sense to add more exposure to financials.

Furthermore, if Buffett buys a gold stock, it might mean that gold stocks are promising. However, it doesn't necessarily mean that the gold stock he bought is the best one for you.

So, while it's important to keep up to date with what he's buying and listen to his commentary to understand his views of the current environment, I wouldn't necessarily buy every stock he is.

Here's how to learn from Warren Buffett

There's nothing wrong with occasionally buying the same stock as Buffett. However, I wouldn't buy stocks just because Warren Buffett purchased them.

It's much more beneficial to investors to understand why Buffett bought the company. What about the business or its industry looks attractive to a long-term investor like Buffett?

Understanding what Warren Buffett is doing and why he buys the stocks he does will go a long way to understanding how the market works and which stocks are best for your portfolio.

Once you do this for a while and pick up on several of [Buffett's lessons](#), you'll be in a much better position to choose the right stocks for your portfolio.

A top Canadian stock to buy now

Regardless of your financial position or portfolio makeup, for most investors, an incredible Canadian stock like **Telus** ([TSX:T](#))([NYSE:TU](#)), trading at such a reasonable price, is a screaming buy today.

Telus is a stock that Buffett would likely appreciate for a few reasons. First of all, it's a massive company and one of the few telecom stocks that dominate in Canada.

Finding stocks that are massive, have a long track record of success, and are dominant in their industries is crucial for Buffett.

Another reason you may want to consider an investment in Telus today is that the telecom industry is one of the best to own long term. Even Warren Buffett has several telecom stocks in his portfolio.

These businesses are staples of the economy, generate massive cash flow, and have significant growth potential with the introduction of [5G technology](#).

Plus, Telus pays a highly safe dividend that currently yields 4.6% on top of all that long-term growth potential it offers. So, if you're looking to invest like Warren Buffett and want to add a top stock to your portfolio today, Telus is a great choice.

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Date

2025/09/27

Date Created

2021/06/10

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