



Is this Buffett's Favourite Investing Sector?

Description

Warren Buffett is renowned as one of the best investors ever. Buffett has amassed an insane fortune through his investing career. So he is easily one of the best investors to follow and analyze to see if you can learn anything about this investing environment.

Over the years, through long-term investing, Buffett has created billions of dollars of wealth. And while he owns a lot of businesses outright, he also has a significant stock portfolio of public equities.

So you could, of course, buy these stocks that he already owns, or you can see which stocks Buffett likes to help you shape your own portfolio.

That's why one of the main things you may notice is that two of Buffett's top three holdings are companies in the [financial sector](#). And these two positions make up more than 20% of Warren Buffett's stock portfolio.

These aren't the only financial companies either. Buffett owns many different businesses in the financial space, from banks to credit card companies and even several insurance businesses.

Financials are a crucial industry in our economy, and Buffett has found that investing in these stocks for the long haul can pay off massively.

So if you're looking to invest like Buffett and buy some top financial stocks, here are two top Canadian companies to consider.

Want to invest like Warren Buffett?

There are several high-quality financial stocks to choose from in Canada. Bank stocks, for example, are some of the most popular investments.

The one financial stock that I believe is in a league of its own is **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)).

Brookfield is a massive business with a [market cap](#) of more than \$110 billion. The company has investments in many high potential industries, such as renewable energy, infrastructure, and real estate.

It also has over \$325 billion in fee-bearing capital, which is up an impressive 17% year over year. With interest rates so low lately, investors are seeking high-potential investments, and Brookfield has been an attractive destination for a lot of that capital.

This makes it a great stock to buy and hold for the long run, especially if you want to mimic Warren Buffett's investing strategy.

Over the last 10 years, Brookfield has earned investors a total return of more than 580%. And there's no reason why that growth can't continue for years.

So if you're looking for a top financial stock to buy, Brookfield is one of the best there is in Canada.

A top consumer lending stock

In addition to Brookfield, another high-potential growth stock that you'll want to consider is **goeasy** ([TSX:GSY](#)).

goeasy is a consumer lending stock that has been growing rapidly for some time. The company generally loans to consumers who have below prime credit scores.

Since these loans are riskier, goeasy has to charge a higher interest rate to be compensated for the risk. However, if goeasy can manage to keep its underperforming loan count low, then those higher interest rate loans can result in some impressive profitability, which is what we've seen from the stock over the past few years.

This is a great business to own, especially if you take a long-term position. So if you want to invest like Warren Buffett, it's easily one of the best financial stocks in Canada.

And in today's environment, goeasy's portfolio has been growing rapidly, with so many consumers looking for loans. The company saw record loan originations and growth of more than 120% year over year in the second quarter.

This shows just how quickly it can continue to expand its operations, which is why the stock is up an impressive 960% over the last five years.

So if you're looking to buy a financial stock, goeasy is certainly one of the best in Canada.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. TSX:BN (Brookfield)
3. TSX:GSY (goeasy Ltd.)

PARTNER-FEEDS

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

PP NOTIFY USER

1. arosenberg
2. danieldacosta

Category

1. Investing
2. Stocks for Beginners

Date

2025/07/23

Date Created

2021/08/31

Author

danieldacosta

default watermark

default watermark