



The Trump Presidency Represents a Huge Buying Opportunity

Description

The markets are pulling back after the Donald Trump presidential victory, and the volatility can be expected for the next few weeks. While investors are panicking, the ones to profit will be those who follow Warren Buffett's simple rule: "...be fearful when others are greedy, and greedy when others are fearful."

Now is not the time to panic; now is the time to be greedy, and if you're a true contrarian investor, now is the time to buy, as the economy is still strong and this is nothing more than another Brexit; it will soon be just a small blip in the stock market that will mean nothing a year from now.

Following Warren Buffett's advice is easier said than done, but if you're going to make real money on the stock market, you need to have the discipline to buy in times of market havoc and sell when the markets have gone up beyond what is reasonable.

The S&P 500 could continue to drop up to 13%, according to analysts, and if you've got cash in hand, then it may be time to go shopping; the Black Friday sale has come early for the stock market.

The volatility will continue for the rest of the week, and your best bet would be to buy stocks incrementally on the way down. Now may be the time to pick up shares of fantastic forever companies that may have been fully valued before the election. It's a great time to go on a stock shopping spree, while others sell their forever stocks for a reason that will not affect the performance of the company itself.

Some great TSX stocks to pick up during these times of turmoil are **Canadian National Railway Company** ([TSX:CNR](#))([NYSE:CNI](#)), **Restaurant Brands International Inc.** ([TSX:QSR](#))([NYSE:QSR](#)), and **Alimentation Couche Tard Inc.** (TSX:ATD.B).

All are fantastic businesses that have a big chunk of their revenues coming from the U.S. All three stocks are your typical Warren Buffett businesses: they have durable competitive advantages and fantastic earnings-growth potential going forward. Stocks like these will now be available at bargain-basement prices with a huge margin of safety following the election.

Although the Canadian dollar is at a low point right now, it may be time to pick up shares of your favourite American companies as well. **Apple Inc.** ([NASDAQ:AAPL](#)) in particular was undervalued before the election, but after the election the stock will be a steal, considering the turnaround potential and Apple's push to get into the Indian market.

You may be telling yourself that you'll wait until the markets settle down before picking up shares of these forever companies, but by then it'll probably be too late. Like Brexit, the "Trump sell-off" could rebound at any time, and, as we both know, there is no bell that goes off when the market reaches a bottom.

Your best bet would be to buy stocks along with the dip. That way you won't miss the rebound when investors start considering the fundamentals and stop reacting to meaningless noise that impacts the stock market. Be disciplined, and this turmoil too shall pass.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:AAPL (Apple Inc.)
2. NYSE:CNI (Canadian National Railway Company)
3. NYSE:QSR (Restaurant Brands International Inc.)
4. TSX:CNR (Canadian National Railway Company)
5. TSX:QSR (Restaurant Brands International Inc.)

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