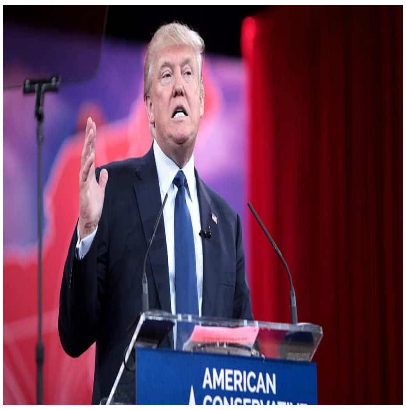

2 Canadian Stocks to Buy Amid the Trump Turmoil

Description

Stock markets suffered steep losses on Wednesday as investors headed for the exits over fears that Trump's pro-business policies could be in jeopardy. It's reported that President Trump is facing a rising threat of impeachment following the firing of FBI Director James Comey and reports that Trump was discussing national security information about the Islamic State with the Russians.

While many pundits believe that legal implications following Trump's recent actions could lead to an eventual impeachment, I believe that the actual probability of this is quite slim. There's no reason for investors to panic. Instead, long-term thinkers should take a step back and have a look at their long-term investment goals.

I still think the Trump rally has room to run, but the fact of the matter is, the markets were way overdue for a correction. Stocks got ahead of themselves, and many investors were overly bullish with unrealistic short-term expectations. It was very difficult to find value, but this may change as the volatility continues to pick up in the weeks going forward. Corrections happen, and it's important to have the discipline as well as the cash on sidelines to be ready for any opportunities that may present themselves.

Here are two fantastic Canadian businesses with U.S. exposure that you should consider picking up in the event of market-wide sell-offs like the one experienced this Wednesday.

Manulife Financial Corp. (TSX:MFC)(NYSE:MFC)

Manulife plummeted a whopping 4.26% on Wednesday. The company has considerable exposure to the U.S. under its John Hancock brand and was well positioned to be a big beneficiary of the Trump administration's pro-business policies.

Investors are have become fearful that the U.S. tailwinds may vanish, but I think the fears are way overblown. Manulife has a terrific management team with promising international growth prospects, and the stock is extremely undervalued, especially after the recent sell-off.

The stock currently trades at a 14.5 price-to-earnings multiple and has a bountiful 3.6% dividend yield, which is considerably higher than the company's five-year historical average yield of 3%.

Alimentation Couche Tard Inc. (TSX:ATD.B)

Couche Tard is a fantastic growth business with an experienced management team who's focused on consolidating a very fragmented convenience store market. The company is one of the few ultra-high-growth defensive stocks that has been underperforming over the past year because the general public isn't a fan of defensive stocks right now.

While a 22.5 price-to-earnings multiple may seem excessive for a convenience store company, I think it's an incredible bargain when you consider how successful the management team has been in making value-driven, strategic acquisitions and driving synergies through the roof.

Couche Tard is an earnings-growth king that is set to be a huge winner over the course of the next decade. The company's large U.S. presence is nothing to be afraid of, even if President Trump's pro-business agenda does go out the window. Couche Tard deserves a much higher multiple, and I believe the market will realize its true value over the next few years.

Takeaway

Some pundits may think a nasty correction could be in the books over the recent Trump issues but think back to before the election last year. Many pundits also thought the markets would crash if Trump was elected president. The contrary was true, so take fearful predictions with a grain of salt.

Stick with your long-term strategy and don't make impulsive decisions. Market corrections are usually the best times to be buying stocks –not selling.

Stay smart. Stay hungry. Stay Foolish.

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