



## 5 Stories to Watch for in 2018

### Description

In the past year, we've seen a lot of volatility and uncertainty. The TSX has produced returns of just 6%, and if it weren't for the rally we saw in the last four months of the year, it would have finished in the negative. By comparison, both the Dow Jones and NASDAQ produced returns of over 25% for investors.

Looking ahead to 2018, there are five big stories that investors will want to keep an eye out for that could impact how the TSX performs.

### How the drama and uncertainty in the U.S. will play out

Negotiations surrounding NAFTA, the election scandal involving Russia, and tensions with North Korea are just a few of the uncertainties that 2017 left unresolved. Any one of these issues could have a significant impact on stocks in both the U.S. and Canada.

### Marijuana legalization

The summer of 2018 is when we are expected to see recreational marijuana legalized. The Liberal government has not shown any interest in postponing it, and it's hard to see that happening at this point. The bigger question is whether or not cannabis stocks can continue their incredible growth.

In 2017, pot stocks have been one of the few bright spots on the TSX, and many have doubled in price. In the case of **Canopy Growth Corp.** ([TSX:WEED](#)) and **Aurora Cannabis Inc.** ([TSX:ACB](#)), their stocks have tripled. It's hard to imagine that pace continuing in 2018, and it'll be interesting to see how long this [frenzy](#) will be able to last.

### The Bitcoin bubble

If there was one word to describe 2017 for investors, it would probably be *Bitcoin*. This was the year the cryptocurrency took off, skyrocketed, or whatever superlative you want to use to describe its incredible performance. There were likely many investors that made millions on Bitcoin's unbelievable 1,500% returns.

Towards the end of the year, we've seen the extraordinary growth slow down and signs point to the digital currency finally running out of steam. It'll be interesting not only to see where it goes from here, but also if we'll see more blockchain companies get listed in Canada.

Currently, **Hive Blockchain Technologies Ltd.** ([TSXV:HIVE](#)) might be the most well-known stock, and its share price has more than tripled this year.

### **Whether uranium prices will finally recover**

**Cameco Corp.** ([TSX:CCO](#))([NYSE:CCJ](#)) has been forced to cut its production and dividend in response to a low price of uranium. For much of 2017, uranium prices have been under US\$23/lb, which is less than two-thirds of where it was just a couple years ago.

With the announcement that [the world's largest producer would be cutting its output](#), that might finally be enough to turn things around.

### **If the price of oil can continue to grow**

OPEC announced that it would extend supply cuts until possibly the end of 2018. If oil prices continue to climb, then that would accelerate the industry's recovery, and that could mean a great year for the Canadian economy.

The danger is that if the price of oil recovers and everyone resumes drilling, we could end up right back where we started: with excess supply.

## **CATEGORY**

1. Investing

## **TICKERS GLOBAL**

1. NYSE:CCJ (Cameco Corporation)
2. TSX:ACB (Aurora Cannabis)
3. TSX:CCO (Cameco Corporation)
4. TSX:WEED (Canopy Growth)

## **PARTNER-FEEDS**

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

## **Category**

1. Investing

**Date**

2025/07/26

**Date Created**

2017/12/28

**Author**

djagielski

default watermark

default watermark