



Brexit Bulls: 1 Bold Stock to Buy Before the Rush

Description

Many economists agree that the current bull run has been the longest in the history of modern capitalism, and the stock markets are still performing well, despite weakening manufacturing data, the U.S.-China trade war, and a raft of geopolitical tensions. But what if the feared recession doesn't happen and the bull run continues? Let's take a look at a possible best-case scenario, and the best way to play it.

The bull case for a happy Brexit

While commentators are almost unanimous in their fears for a messy Brexit that could weigh heavily on the global economy, there's always the chance that the U.K.'s divorce from the E.U. not only goes smoothly but even boosts international trade. With the U.K. set to strengthen ties with China post-Brexit and the very real potential for a free trade agreement between the U.K. and Australia, the severing of European ties could have an invigorating effect on the markets.

While CANZUK is not yet a reality — an as-yet hypothetical free-trade bloc consisting of Canada, Australia, New Zealand, and the U.K., including European-style freedom of movement — new trade deals between the U.K. and parts of the Commonwealth are a likely outcome of Brexit. As such, Canada could find itself in an exciting position to benefit from much stronger economic ties with other parts of the Commonwealth.

How to invest in an extended bull run

The U.K. is Canada's third-largest trading partner after the U.S. and China, so it makes sense to invest in an area related to current and future growth if you're [bullish on Brexit](#). Gold is a strong choice, as is the auto industry, since these are already heavily traded sectors. And should something like the CANZUK come about, Canada's trade with other Commonwealth members may also get a boost.

Commodities may be one of the best plays for a global resurgence in industry, with copper and other useful metals seeing some improvement. As such, **Lundin Mining** could be a suitable stock to invest

in before the U.K. comes out from under the E.U.-Canada Comprehensive Economic and Trade Agreement (CETA) and a new agreement is put in place.

Ramping up production while cutting costs, Lundin is a [good all-rounder for metals exposure](#), with a broad mix of copper, nickel, and zinc, as well as cobalt. Headquartered in Toronto, the miner has operations in South America, Europe, Scandinavia, and the U.S. With a nearly flawless balance sheet, this is a healthy, diversified investment with some growth potential and pays a modest 1.82% dividend yield.

The bottom line

At the end of next month, the U.K. will leave the E.U., with or without a deal. This will open one of the world's foremost economic powers to forge new trade deals with her partners, including Canada. With the potential for a new bloc of Commonwealth members to trade freely, Canada could find itself in an exciting position on the world stage. Commodity stocks such as Lundin Mining are a bold investment for anyone bullish on a turnaround in global growth.

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