



A Weak Canadian Dollar Could Make These 3 Stocks Skyrocket

Description

An export-dependent country has the advantage when its currency is weak. Since the price of goods is less expensive, the products gain significant market share. As such, a weak Canadian dollar could be a silver lining for **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)), **Barrick Gold** ([TSX:ABX](#))([NYSE:GOLD](#)), and **Bombardier** ([TSX:BBD.B](#)).

Top exporter

Many mistake industry behemoth Enbridge for an oil producer. This \$80.19 billion company is an energy infrastructure firm. Its main focus is crude oil and liquids transportation. Its Mainline network is the world's largest crude oil pipeline network.

The massive network transports two-thirds of Canada's exports and accounts for one-third of all U.S. foreign oil imports. The pipelines span 27,600 km and its export capacity is nearly 2.85 million barrels a day, including natural gas liquids.

Enbridge's export capacity could increase by 370,000 barrels per day once the \$9 billion Line 3 pipeline project is complete. The replacement project is long overdue, as the pipeline that was built in the 1960s is corroding and can operate at 50% of its normal capacity.

The shares of Canada's top exporting company are down to \$39.60, with a year-to-date loss of 22.24%. At the bargain price, would-be investors can partake of the 8.19% dividend.

Gold and copper

Canada also boasts of the world's largest [gold producer](#). Barrick Gold is a \$50.22 billion explorer and mine developer. Its principal business is to produce and sell gold and copper.

This company, which operates mines and development projects Canada, Africa, Australia, in the U.S., Canada, South America, Australia, South America, and the U.S., is among the top 10 major exporters

in the country. The amount of exports is over \$25 billion annually.

In 2019, Barrick's adjusted net earnings of \$902 million were a 452.3% improvement versus the previous year. Its free cash flow ballooned to \$1.1 billion, while debt net of cash was reduced by roughly 50%. The company is more laser-focused and is now one of the lowest-cost producers.

With less debt and more cash, Barrick can pursue organic growth that was laid down in its 10-year production plan. The current health crisis, however, might affect future pipelines.

Aviation and transportation

Bombardier is a \$1 billion company that exports aviation and transportation products. This firm has a commanding worldwide presence. As of year-end 2019, Bombardier is operating in 25 countries with a total production and engineering sites of 70.

Besides aerospace products, Bombardier manufactures business and commercial aircraft. Its transportation segment designs and produces railway, subway, and streetcar vehicles. The customer support network is also worldwide.

Sadly, all its aircraft and rail production activities in the provinces of Ontario and Quebec have been suspended. Bombardier is doing its share to slow the spread of the coronavirus. The operations are due to resume on April 26, 2020, although it hinges on a flattened curve of the epidemic.

Bombardier is experiencing a terrible beating on the stock market. The price is down to less than \$0.40, or 79.33% lower than the \$1.96 price at the beginning of the year.

Bleak scenario

Even with a weak currency, a major exporter like Canada as well as export-related businesses are facing [perils due to the coronavirus](#). But the long-term prospects for the appreciation are optimistic.

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