



2 Stocks That Have Soared +700% Since Trump's Election Win in 2016

Description

The U.S. is on the cusp of another election next month, and that can sometimes have significant ramifications on Canadian companies, especially if there are tariffs and adverse trade policies involved. Below are two stocks that have performed extremely well since the last election, up at least 700%, and I'll look at whether they're still good buys right now.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) likely would've soared regardless of who was in the White House the past four years. The company's share price has climbed more than 2,400% during that time. Trading at around \$50 per share, the stock was still making a name for itself in 2016 and wasn't the hot commodity that it is today. With more consumers shopping online in recent years and both Canadian and U.S. economies doing well, Shopify's business has been booming. At the end of 2016, its sales of US\$389 million were nearly double the US\$205 million that the Ottawa-based company generated in the previous year. While its growth rate would start to decline, its sales of US\$1.6 billion in 2019 are still more than quadruple its 2016 tally.

Like many U.S. tech stocks during the Trump years, Shopify has done extremely well — although much, much better. **Amazon**, for instance, has risen just under 300% during the same time frame. However, the e-commerce giant was a much larger company than Shopify, and so it didn't have nearly as much room to grow as the Canadian tech company did. The big question is whether Shopify will continue to do well in the coming years, especially with global economies struggling with a downturn due to COVID-19. Despite the stock's impressive performance over the years, it may be running out of steam, and it's an [expensive investment](#) to hold in your portfolio today, trading at more than 50 times revenue.

Kirkland Lake

Kirkland Lake Gold (TSX:KL)(NYSE:KL) has been another hot-performing stock over the past four years. Up around 700%, its returns are nowhere near Shopify levels. But it's done well while Trump's

been in office, and it likely would've performed similarly even if someone else was running things in the United States. Kirkland Lake has been busy acquiring assets over the years, including a 2016 purchase of Australian miner Newmarket Gold in a deal worth \$1 billion. Earlier this year, the company also completed a mammoth \$4.9 billion acquisition of Detour Gold. Its acquisitions over the years have diversified and grown Kirkland's asset base, and that's translated into some impressive sales growth.

Kirkland's 2019 sales of US\$1.4 billion were triple its 2016 revenue of US\$407 million. But unlike Shopify, Kirkland has been also been profitable over the years, with its net income rising from just US\$42 million to US\$560 million during those years. It also doesn't hurt that gold prices have been rising this year, finally breaking through the US\$2,000/ounce price for the first time amid concerns relating to COVID-19. With the economy still a big unknown moving forward, investors may continue turning to [gold](#), and that could send Kirkland's stock even higher in the months and years ahead.

Key takeaway for investors

Both of these stocks have done exceptionally well, despite what's been a controversial presidency south of the border. And it's an important reminder that regardless of who's elected president in the U.S. this year, it may not mean a whole lot for individual stocks — unless they're directly impacted by that president's tariffs or trade policies. The NASDAQ, Dow Jones, and TSX all hit record highs this year and likely would be soaring even higher than they are today if not for the COVID-19 pandemic. Canadian investors are better off analyzing stocks that have resiliency amid a recession and pandemic, rather than speculating on which ones may do well if a certain president is or isn't elected.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

Tags

1. Editor's Choice

Date

2025/07/05

Date Created

2020/10/07

Author

djagielski

default watermark

default watermark