



3 TSX Stocks to Buy if Joe Biden Becomes President

Description

The years leading up to the 2020 United States presidential election have been some of the most tumultuous in the 21st century. In 2017, hedge fund titan Ray Dalio suggested that [political turmoil](#) would have an impact on markets not seen since the pre-WWII period. Dalio's prediction has come to fruition. Because of this, investors should keep their eyes on the U.S. election. Earlier this month, I'd looked at three TSX stocks that [Canadians should sell](#) in the event of a Joe Biden presidency.

Today, I want to look at three stocks that are worth buying if Joe Biden defeats Donald Trump in November. The chaotic first debate between Trump and Biden has led to a boost in the polls for the latter. This is bad news for Trump, who was already behind by a large margin heading into the debate. The Republican incumbent will need many things to go his way to pull out another upset next month.

Joe Biden will go green: Look to TSX stocks in the renewable energy space

On October 7, the VP picks Kamala Harris and Mike Pence took to the debate stage. The debate further illustrated one of the deepest sources of policy difference between the two candidates and parties. Joe Biden aims to reverse the climate change rollbacks of the Trump administration. Namely, he has said that he will recommit to the Paris Climate Accord.

TransAlta Renewables ([TSX:RNW](#)) is a Calgary-based company that develops, owns, and operates renewable power-generation facilities. Its shares have increased 17% in 2020 as of close on October 7. The stock is up 12% month over month. A Joe Biden presidency should have a positive impact on green energy policy across the North American continent.

Shares of TransAlta last had a price-to-book value of 2.1, which puts it in favourable value territory relative to industry peers. Better yet, it offers a monthly dividend of \$0.078 per share. This represents a strong 5.3% yield.

U.S. banks are warming up to a Biden win

This month, **Goldman Sachs** chief economist Jan Hatzius explored the possibility of a Joe Biden win in November. In the event the Democrats take control of the White House and Congress, he is predicting good things for the U.S. economy. While this may eat into the new corporate tax cuts, Hatzius believes that the benefits of an aggressive stimulus plan will outweigh that negative. The Goldman note forecasts that the stimulus plan would be at least \$2 trillion.

Canadian investors should look to **Toronto-Dominion Bank**. TD Bank boasts a massive U.S. footprint, as one of the top 10 retail banks in the country. Shares of TD Bank last possessed a price-to-earnings (P/E) ratio of 12. This puts the bank stock in solid value territory. It offers a quarterly dividend of \$0.79 per share, which represents a 4.9% yield.

Joe Biden: Watch this TSX stock with a healthcare bent

Joe Biden has indicated that he will look to build on Barack Obama's legacy in the healthcare space. After the devastation wrought by the COVID-19 pandemic, we are likely to see significant investment in U.S. healthcare in 2021 and beyond. This could benefit a stock like **Northwest Healthcare Properties REIT**. This REIT provides exposure to a well-diversified international portfolio of healthcare real estate. Its stock has increased 2.1% in 2020. Shares last had an attractive P/E ratio of 13. Best of all, Northwest pays out a monthly dividend of \$0.067 per share. This represents a tasty 6.9% yield.

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Date

2025/07/19

Date Created

2020/10/08

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