



7 Big-Name Stocks to Watch Amid Election Volatility

Description

Wary of a change of administrations south of the border? Or simply can't wait to see the back of our neighbour's commander in chief? No matter one's stance, all can agree that the markets are about to get extra frothy. But which stocks are the greatest liabilities should the status quo be upheld?

Trim these stocks for a “Red November”

A Republican victory this November will potentially see oil stocks rocketing and cannabis stocks going firmly in the trash. Whether you like him or loathe him, anybody expecting a Donald Trump win should [act accordingly](#).

The markets are also unlikely to favour stocks that are viewed as at-risk from cross-border North American tariffs. While Canada wasn't as ostracized as China by Trump's trade wars, she nevertheless suffered a few bruises. A perceived tariff risk could persist given a second Republican term in office. Forward-looking investors may therefore want to reduce exposure to at-risk categories.

Rail stocks fall into this bracket. **CP Rail** has seen a lot of momentum this year, making it most at risk from a correction. If investors wish to hold onto rail exposure in a portfolio (and they should), its competitor is an appropriate candidate. **CN Rail** hasn't been run as far; it has less downside potential, and it's also intrinsically better value for money.

Names to trim ahead of November also include pot stock favourites **Canopy Growth** and **Village Farms International**. Contrarians will have noted that cannabis stocks soared this month on the assertion that a Democrat administration would decriminalize marijuana. That pot stock boost has been useful to gauge the market's election expectations. But it also puts this asset class in a very precarious position.

Super-long-term investors may want to start making a wish list of stocks to buy during a market crash. The green power sector has been advancing with leaps and bounds in the last couple of years and could be a focal point for growth investors over the next four years — no matter who's in office.

Swap some tech for green power

Bullish on a blue tsunami? It still makes sense to adjust your personal investment portfolio to absorb a Republican win this fall. Green power investors may want to take a wait-and-see attitude. However, given the growth potential for this global trend, adding shares in diversified names such as **Algonquin Power & Utilities** is a low-risk play.

Either way, though, it's going to be a highly volatile final quarter. Tech stocks are looking extremely fragile right now. We've already seen several [tech stock selloffs](#) this year. The most recent is still underway, triggered by a range of stressors encompassing overvaluation, vaccine hopes, oil volatility, and election chicanery. This week has seen top tech stocks from **Shopify** to **Twitter** shed a few percentage points amid a broader selloff.

Growth investors may want to start trimming overvalued tech stocks now, therefore. In the meantime, making a wish list of green energy stocks to buy on weakness will allow investors to stay ahead of the game during high market volatility.

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Date

2025/08/18

Date Created

2020/10/17

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