3 TSX Stocks to Sell No Matter Who Wins the U.S. Election

Description

We are just over three weeks away from the United States presidential election between incumbent Donald Trump and former vice president Joe Biden. This month, I've looked at stocks to sell if Trump hangs onto power or if Biden manages to bring the Democrats back to executive power. Today, I want to look at three TSX stocks that you should look to sell no matter who wins the U.S. election. Let's dive in.

U.S. election: Get rid of this TSX stock no matter what happens

Neither presidential candidate has been eager to stake a strong position on cannabis in 2020. Donald Trump has been ambivalent on the issue, opting to let states handle cannabis law. Meanwhile, Joe Biden has pledged to do the same. Biden does have a history of anti-cannabis statements and positions. Top cannabis companies have been waiting for a possible stab at federal legalization south of the border. That does not seem to be forthcoming.

This is bad news for **Canopy Growth**, the largest cannabis producer in Canada. Shares of this TSX stock have dropped 14% in 2020 as of close on October 16. Canopy Growth has moved aggressively to establish itself in the United States. Like its top peers, Canopy Growth has been more conservative with its spending in 2020. On the bright side, Canopy Growth did announce a plan with Acreage to launch cannabis-infused beverages in the U.S. in 2021. Of course, this would be limited to states that have legalized recreational use.

Why restaurants are in for a brutal winter

Restaurants have suffered a great deal due to the COVID-19 pandemic and subsequent lockdowns. Current president Donald Trump has worked to produce a viable vaccine with "Operation Warp Speed." As of right now, some experts predict that a vaccine will be available for use in Canada by the spring of 2021. Regardless, in the near-term restaurants will struggle. This is especially true as Canadian provinces are ramping up restrictions in response to rising cases.

Recipe Unlimited is a dangerous TSX stock to own during this crisis. Its shares have dropped 40% so far this year. Investors can expect to see its third-quarter 2020 results on November 5. In Q2 2020, the company drew $300 million on its revolving credit to provide liquidity in the face of the pandemic. System sales fell 55.3% year over year in the quarter. Meanwhile, gross revenue dropped 55% and operating EBITDA plunged 72.1%.

The U.S. election can't resuscitate this ailing TSX stock

The cinema industry is in peril as we enter the final months of 2020. Shares of **Cineplex** have plummeted 85% as of close on October 16. This TSX stock is down 77% year over year.

Movie theatres had just announced re-openings across Canada in the late summer. Now, those same movie theatres are shuttering their doors in provinces all around the country. This TSX stock suspended its dividend and the company is bleeding cash, as we head into the final months of 2020. There is no result in the U.S. election that can solve the problems facing the cinema industry right now.

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Date
2025/06/28
Date Created
2020/10/19
Author
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