



2 Safe Stocks for a Biden Win — and 1 for Trump!

Description

The U.S. election is today, and many people think that it will have a big impact on stocks. Both candidates are proposing major economic changes, and the likelihood of a market reaction is high. On the one hand, you've got Trump pledging to continue his tough trade policy. On the other hand, you've got Biden proposing a corporate tax hike and a shift to renewable energy. Either candidate would likely bring in policies that would benefit some companies and harm others. In this article, I'll be reviewing two companies that would benefit from a Biden win — and one that would benefit from a Trump win.

CN Railway

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) is a Canadian transportation company that ships more than [\\$250 billion](#) worth of goods a year. Among the products it ships are grain, coal, and metals. These are similar to the goods that Trump has put tariffs on in past trade disputes. At various points in his first term, Trump has threatened to tariff food products, cars, and metals. Just recently, he threatened to put a tariff on aluminum — despite the USMCA deal he signed just months before. Since CNR transports grain and metals, its revenue is vulnerable if it gets hit with tariffs. Fortunately, Biden has not indicated that he would pursue such an aggressive trade policy. So, CN is one company with much to gain if Biden wins.

Canadian Pacific Railway

Canadian Pacific Railway is another Canadian railway that ships goods into the United States. Its U.S. presence is smaller than CN's but still significant. Like CN, it's involved in transporting grain, coal, and metals. Also like CN, it's vulnerable in the event the U.S. puts tariffs on these goods. If Trump wins, there's a major risk factor thrown into CP's business picture. If Biden wins, that risk factor is much less likely to materialize. So, a Biden win is good for this stock.

Enbridge

Last but not least is the stock that's most likely to benefit from a Trump win.

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is an energy company involved in the pipeline business. Its pipeline system is the largest in North America. It carries oil around Canada and from Canada to the United States.

Generally speaking, Democrats in the U.S. have been against new pipeline developments. Pipelines are seen as bad for the environment and, in many cases, they also raise questions about aboriginal land claims. For these reasons, the progressive-leaning Democrats tend to oppose them. As a result, Enbridge has faced many legal challenges in Minnesota and Michigan. So far, the company has largely prevailed in these challenges, but that doesn't mean the story is over.

Donald Trump is generally friendly toward pipeline developments. He has expressed generally favourable opinions about pipelines and has supported [Keystone XL](#). These signs bode well for Enbridge's operations in the U.S. in the event of a Trump presidency. The company could still face lawsuits but is likely to get whatever federal-level approvals it needs.

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TICKERS GLOBAL

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2. NYSE:ENB (Enbridge Inc.)
3. TSX:CNR (Canadian National Railway Company)
4. TSX:ENB (Enbridge Inc.)

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