



This Expert Predicted Donald Trump's 2016 Win: Now He's Revealing His Bet for 2020!

Description

Donald Trump's 2016 electoral victory caught the world by surprise. Now, at least one expert thinks he'll pull off another upset.

Larry Jeddelloh is an investor and founder of *The Institutional Strategist*. In 2016, he predicted that Donald Trump would win the U.S. election at a time when most polls showed Hillary Clinton would win. Trump went on to win the election in a narrow victory. Today, the polls show Joe Biden with a much larger edge than Clinton enjoyed. But Jeddelloh seems to be betting on another Trump win.

Recently, Jeddelloh was featured in a [MarketWatch article](#) that discussed his take on the election. According to the article, Jeddelloh featured a speaker at one of his webinars who predicted Trump would win again in 2020. Also in the article, Jeddelloh revealed his own bets bet for a Trump win. One of them was pretty intuitive, while the other was more of a wild card. As it turns out, *both* of his recommendations are highly fortuitous for Canadian investors.

Banks and energy stocks

Jeddelloh's two main picks for a second Trump term are banks and energy stocks. Specifically, he recommends:

- The SPDR Oil & Gas ETF
- The SPDR Bank ETF

His reasons for recommending energy stocks are pretty much what you'd expect. Trump is friendly to oil and gas companies, so if he wins, there'll be fewer obstacles in their way than would otherwise be the case. That's pretty straightforward, and similar to what I've written in past articles.

His reason for recommending banks is more interesting. Basically, Jeddelloh believes that banks have been held back over the past decade by onerous regulations and fines. In the aftermath of the Financial Crisis, banks took a lot of heat, and new regulations were introduced.

Now, Jeddelloh thinks that big tech will take the heat off of banks. Today, he says, regulators are more concerned about tech than banking. Just recently, the department of Justice filed a sweeping anti-trust suit against **Alphabet**. There have been no suits of similar magnitude against banks.

Trump has been very critical of big tech over the course of his first term. He's gone so far as to threaten to remove social media companies' Section 230 protections — without which their content moderation tasks become a lot more onerous. In the event that Trump wins, this regulatory heat is sure to continue. Jeddelloh thinks that all this new regulatory interest in tech will shift attention away from banks, which will "get a breather" for the first time in a decade.

This Canadian oil and gas stock would benefit from a Trump win

If Jeddelloh is right that energy and banks will benefit under Trump, that's a win for Canadian investors. The TSX Index is heavily weighted in both sectors, giving investors plenty of options to choose from.

One TSX energy stock that would probably benefit from a Trump win is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). It's a pipeline company that transports oil and gas all around North America. Currently, it has a number of expansion projects in the Midwestern United States. These projects, however, have faced a number of legal challenges. For example, the [Line III Replacement](#) was recently challenged on the grounds that it would damage Minnesota's water supply. A judge recently ruled that the plaintiffs failed to prove that claim. If Trump wins, we can expect more favourable decisions for Enbridge, as Trump has long supported Canada-U.S. pipeline developments. That doesn't guarantee that ENB stock will go up, but it should help the company keep cranking out profits.

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