



## 2 Stocks to Play the Chaos and Uncertainty of the U.S. Elections

### Description

Our neighbors still haven't picked the next president. It now seems like the election could be much closer and longer than anticipated, as mail-in ballots continue to be counted for the next few days.

Investors hate uncertainty above all else, so this isn't a good outcome for stocks. If you're an investor waiting on the sidelines, here are two stocks you can bet on for some stability over the next few weeks.

### Election buffer one

Gold lived up to its reputation as a safe haven this past week. Even as the election swung from one candidate to the other yesterday, the price of gold remained stable. An ounce of gold is trading at roughly US\$1,900 at the moment. Gold miner **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD) is trading just 2% higher than it was on November 2.

In other words, Barrick Gold stock could be a safe place to park your cash if you're worried about an election surprise and sudden slip in stock prices.

What makes Barrick Gold stock particularly resilient is the company's economies of scale. Since the firm's mining operations are spread across the world, politics in any particular country has a limited impact. Meanwhile, being the second-largest gold miner in the world means Barrick enjoys lower costs of production and a better buffer from gold price fluctuations.

This safe haven is so attractive right now that even [Warren Buffett has a position in it](#).

### Election buffer two

Unlike Canadian real estate, houses across America are relatively undervalued. House prices may have been fair before the current crisis but have been drifting lower throughout 2020. Now, the average American condo or house is much more affordable when adjusted for U.S. average incomes.

That puts a floor on U.S.-focused real estate investment trusts such as **Tricon Residential** ([TSX:TCN](#)). Tricon stock is up just 1.45% from the end of October, indicating stability.

The company will undoubtedly continue collecting rent payments and acquiring new properties regardless of who wins the election. Coupled with the fact that Tricon stock is trading on par with book value per share makes this the ultimate safe haven for investors.

Tricon stock should act as a shock absorber over the next few days, as millions of ballots are counted, and the election winner becomes apparent.

## Bottom line

The U.S. election was a lot tighter than most analysts or pollsters expected. As I write this article, Joe Biden is in the lead. However, the election could still swing based on what Trump does or how he reacts. There's a chance a recount could be triggered and that this election could be settled in court.

For investors, this wave of uncertainty is kryptonite. Stock prices could gyrate wildly as the story shifts. To protect yourself, consider adding some exposure to gold or U.S. residential property stocks.

Good luck!

### CATEGORY

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2. Metals and Mining Stocks

### TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. TSX:ABX (Barrick Mining)
3. TSX:TCN (Tricon Residential Inc. )

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