



Donald Trump Is Gone: 3 Stocks That Benefit Most

Description

Donald Trump has left the White House for the final time today. His departure ushers in a new era for American (and global) politics. President Joe Biden is rumoured to overturn *at least* 17 executive actions in the first hours of his presidency. That means a swift reversal of Trump-era immigration and trade policies.

The impact of this reversal should be apparent on several Canadian stocks. Here are my top three picks for stocks that benefit the most from this change in administration.

Canadian Pacific Railway

Global trade was ruptured during the Trump era. As the largest economy in the world, U.S. trade policies have a direct impact on several economies — most of all, on Canada. 75% of Canadian exports are destined for the United States. This crucial flow of goods was disrupted by Trump's policies on metal, auto parts, and finished goods exports.

Now investors should expect trade to flow more freely across the U.S.-Canada border. **Canadian Pacific Railway** ([TSX:CP](#))([NYSE:CP](#)) is a major beneficiary. The higher the volume of cross-border trade, the more sales for this transport giant.

CP Rail stock has already surged 17.5% since the election in November. When President Biden announces his trade policy today, the stock could rise much higher. Keep an eye on this one for the next four years.

Canopy Growth

Cannabis is legal in the majority of states in the U.S., but it remains illegal on the federal level. This bottleneck has stymied the growth of the local cannabis sector. Producers like **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC) can't export into the U.S. or access easy financing for expansion without a federal mandate.

The Trump administration was notoriously anti-drugs. However, the incoming Biden administration could be more progressive. Federal legalization could be on the agenda. If it goes through, Canopy Growth's prospects could brighten tremendously.

Meanwhile, the stock has been knocked down from its all-time high. It's trading 36% below its peak in 2018. While the stock was dropping, cannabis sales rose and costs of production declined. In short, Canopy is perfectly positioned for the next four years.

Brookfield Renewable Energy

President [Biden's cancelation of the Keystone XL pipeline](#) makes it clear that environmental protection is on the agenda. This is certainly bad for Canada's oil sands but could be a boon for Canada's emerging clean energy sector.

Brookfield Renewable Energy ([TSX:BEP.UN](#))(NYSE:BEP), of course, is a top pick in this sector. The stock has roughly tripled from March last year and is up another 33% from the November election alone.

As the progressive wing of the Democratic party pushes the clean energy agenda, Brookfield Renewable could surge further. This Canadian clean energy giant could dominate the energy sector in the world's largest economy by the end of the Biden administration.

Right now, the stock offers a 4% dividend yield. BEP could be the perfect addition to your dividend-growth portfolio for the foreseeable future.

CATEGORY

1. Investing

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1. NASDAQ:CGC (Canopy Growth)
2. NYSE:BEP (Brookfield Renewable Partners L.P.)
3. NYSE:CP (Canadian Pacific Railway)
4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
5. TSX:CP (Canadian Pacific Railway)
6. TSX:WEED (Canopy Growth)

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Date

2025/08/25

Date Created

2021/01/20

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