



3 Stocks to Buy Now Since the Canadian Dollar Crashed

Description

The Canadian dollar has been following a downward trend this year. After it reached a high of US\$0.83 in May and June 2021, the Canadian dollar began slipping down. At writing, the Canadian dollar amounts to just US\$0.79.

Given how weak the Canadian dollar has been over the last few years, it is still quite strong. The Canadian dollar managed to slide down to as low as US\$0.68 last year during the peak of the pandemic. The Canadian dollar managed to rally after that weak period before sliding down again.

The [recent decline in oil prices](#) is one of the many reasons attributed to the downward trend for the Canadian dollar. However, the differences in monetary policies in both countries might not be why the Canadian dollar has been weak. Higher demand for U.S. dollars and lower oil prices could be contributing to the trend.

While a weaker Canadian dollar might not be very good news, it presents opportunities for investors who want to invest in businesses that benefit from the trend. Today, I will discuss three Canadian [dividend stocks](#) that you can invest in to leverage the declining Canadian dollar.

Canadian National Railway

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) is a Canadian railway transportation company with a massive railroad network that spans throughout North America. It is a company that benefits a lot from a weaker Canadian dollar due to the cross-border transportation of goods between Canada and the U.S.

The Canadian Dividend Aristocrat boasts a lengthy and reliable dividend streak. Trading for \$138.49 per share at writing, CN Railway stock pays its shareholders at a decent 1.78% dividend yield. A weaker Canadian dollar means that the demand for Canadian goods increase, allowing CNR Railway to enjoy a substantial boost to its revenues through its cross-border operations.

Toronto-Dominion Bank

The **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is one of the Big Six Canadian banks that has significant retail and brokerage operations in the U.S. through TD Ameritrade. The bank relies on its operations in the U.S. for about a third of its revenues. The lower the Canadian dollar falls against the U.S. dollar, the higher the income is for the financial institutions in Canadian dollars.

The bank's revenues increase further if the U.S. retail or brokerage operations report higher-than-expected income. TD Bank is considered one of the top Canadian banks due to its growing presence in the U.S. The bank stock is trading for \$83.70 per share at writing and boasts a juicy 3.78% dividend yield.

Alimentation Couche-Tard

Alimentation Couche-Tard (TSX:ATD.B)(TSX:ATD.A) is a business that owns and operates a giant network of gas stations and convenience stores throughout Canada, the U.S., and Europe. With almost 3,000 gas stations in Europe and over 9,000 Circle K stores operating in the U.S., the company's operations across the border are more extensive than its domestic operations.

It means that the company relies more on its revenues from its US-based locations. The lower the Canadian dollar goes against the U.S. dollar, the more money Alimentation Couche-Tard can earn. At writing, the stock is trading for \$50.92 per share and boasts a meager 0.69% dividend yield.

Foolish takeaway

Alimentation Couche-Tard stock, TD Bank stock, and CN Railway stock are ideal stock picks to consider for your portfolio, whether you are confident that the downward trend for the Canadian dollar will sustain or the currency recovers in the coming months.

You can buy and hold onto these equity securities in your portfolio for the long haul to enjoy substantial [long-term wealth growth](#) regardless of how the situation develops.

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