BENZINGA EDGE

Top 7 Stocks to Buy for 2025

The 2024 United States presidential election is finally in the rearview mirror, and investors can now finally begin to digest policy implications (and watch football without seeing a dozen political ads every commercial break).

While it's unsure which specific policies and goals will be enacted by a second Trump administration, some stocks have already gone ballistic in the days following the results, such as DJT and TSLA.

While recommending these companies based on their connection to the incoming administration seems like a slam dunk, when looking ahead to 2025, we're more concerned about which sectors and industries stand to benefit (or suffer) from policy changes such as tax cuts, tariffs, and deregulation.

Today, we'll look at seven stocks to consider buying as the calendar flips to 2025, including some that could directly benefit from softening government stances on M&A and cryptocurrency.

And as always, be sure to consult with your advisor before buying any stocks mentioned here and make sure it is a suitable asset for your individual goals and investment plans.

Ford Motor Company - (NYSE: $F)

While more and more electric vehicles are sold every year, the growth rate of those sales is slowing. And with automakers pushing back on ambitious government EV mandates, companies with a diverse lineup of hybrids, EVs, and traditional gasoline vehicles could be poised for gains in 2025.

Ford is one automaker that could see tailwinds in 2025. While the company continues to innovate in the EV space with the Mustang Mach-E and F-150 Lightning vehicles, it also offers hybrid versions of its most popular SUVs, such as the Explorer and Escape.

Additionally, Ford instituted some cost-cutting measures in the last few years, focusing on its most profitable divisions and products while slimming down less lucrative areas.

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Source: ***Benzinga Pro***

From a valuation standpoint, Ford looks appealing. The stock's P/E ratio is 12.47, indicating an affordable share price for the $43 billion market cap company.

After an abysmal 2020, Ford has grown profits in each of the last three years and pays a 5.47% dividend yield, a nice perk if you're looking for income along with stock price appreciation.

According to our database, Ford stock is covered by [28 different equity research analysts](). The current consensus rating is Buy, and the average price target is $14.26, representing an upside of more than 23% from current levels.

The company announced earnings on October 28 and posted a top and bottom-line earnings beat, recovering well from the previous quarter's miss. Ford next reports earnings on February 4 and investors will be eager to see if revenue growth continues to return to this proud automaker.

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Coinbase Global Inc. (NASDAQ: $COIN)

We head from combustion engines to cryptocurrency with our next 2025 stock pick. Digital currencies like Bitcoin, Ethereum, Solana, and even Dogecoin have rallied hard since the presidential election as investors hope for a less hostile regulatory environment.

Companies like Coinbase have butted heads with the Securities and Exchange Commission (SEC), but a Trump administration could take a lighter approach to regulating the Wild West of cryptocurrency.

Source: ***Benzinga Pro***

Coinbase is the only publicly traded cryptocurrency exchange in the United States, and it rallied hard following the election results despite a mediocre report in its latest earnings release. Since the start of trading on Wednesday following the election, COIN shares have rallied from $195 to $270. With its unique position and brand recognition, Coinbase could be the biggest beneficiary of a crypto-friendly government in Washington.

The recent 30% gain has put the shares into overextended territory with a Relative Strength Index (RSI) reading of 72, so investors should be cautious and find an ideal entry point for buying shares. The stock is still well below its all-time high of $343 from 2021 and would need to rally another 20% from here to make a new high.

Analysts currently have a consensus Buy rating on the stock according to the 23 reports in our database, but the average price target of $232 is now below the current market price.

The highest price target is $345 from Citigroup, which would put the stock in new all-time territory. If bullish sentiment continues to run rampant in the cryptocurrency universe, a $345 stock price could become a reality in 2025.

Boston Scientific Corp. (NYSE: $BSX)

The age of our political leaders has become a common talking point during election season. Baby boomers are quickly reaching retirement age, and the Congressional Budget Office (CBO) predicts that the United States population will continue to grow even older by 2054. As the population ages and requires an ever-expanding level of medical care, companies at the forefront of healthcare innovation could prove to be suitable investments.

Source: *Benzinga Pro*

Boston Scientific is an innovator in the medical devices industry and has several promising projects in its pipeline. BSX has a steady focus on cardiovascular health through minimally invasive devices like stents and pacemakers. Medicine continues to move toward the least invasive procedures to reduce recovery times, minimize mistakes, and cut into rising costs.

BSX is also a big-time dealmaker in the healthcare space, having previously acquired BTG and Vertiflex to grow their pipeline into different areas. Many industry experts expect merger and acquisition activity to pick up during the incoming Trump administration, which could put BSX in a prime position to expand its reach even further.

BSX shares have rallied more than 50% so far in 2024, and analysts believe the stock may have more room to run.

BSX currently has a consensus Buy rating from 23 analysts in our database, with an average price target of $94. The most recent analyst reports put a price target near $100, including an upside potential of nearly 12%.

If you're looking for a combination of a strong financial picture, innovative product pipeline, and mix of price growth and dividend income, Boston Scientific could be a great portfolio add in 2025.

Palantir Technologies Inc. (NYSE $PLTR)

Palantir specializes in big data analytics software, which is becoming increasingly important in various industries. As businesses become more data-driven, Palantir stands to benefit thanks to its nimble programs, which can be utilized in a variety of functions across different sectors.

Palantir offers three versions of its data analytics solutions: Foundry for commercial clients, Gotham for government clients, and Apollo for continuous deployment of safe internet access. These highly customizable systems offer end-to-end solutions for complex data analysis, decision-making, and AI integration.

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Source: ***Benzinga Pro***

Palantir initially built its reputation on government contracts, working with agencies like the Department of Defense, the CIA, and the U.S. Army. Recently, Palantir has expanded into the commercial sector, partnering with Fortune 500 companies in industries like healthcare, finance, and energy.

Commercial customer base growth diversifies revenue streams and reduces dependence on government contracts, setting the company up for more balanced and scalable growth.

Analysts haven't been bullish on PLTR shares in the short term, as the stock has a consensus Sell rating and price targets well below current levels.

Even the most aspirational price target of $50 from BofA Securities now implies a downside in the stock. Price metrics such as the company's 83 RSI and 279 P/E ratio also look rich.

However, PLTR has only been publicly traded for four years, and many investors are trading on potential growth over current profits. The company's stock is already up more than 180% in the last six months, so risk-averse investors may prefer waiting for a pullback before diving into PLTR shares.

Duke Energy Corp. (NYSE: $DUK)

Utility companies are usually considered some of the most boring companies to invest in, but Duke Energy is building toward the future with a significant infusion of artificial intelligence. Energy independence has been a theme across the political aisle, and innovators like Duke could benefit from mandates to increase domestic energy production.

Utilities like Duke Energy often benefit from falling interest rates as their infrastructure projects often require lots of debt financing. But with rates expected to continue dropping over the next year plus, companies like Duke that are investing in renewable and clean energy projects could benefit from both lower financing costs and tax cuts or credits.

Source: ***Benzinga Pro***

Duke Energy is also utilizing AI to enhance its efficiency. For example, Duke's AI systems are helping it achieve a company-wide goal of being net-zero methane by 2030 (which is far more stringent than federal regulations currently require).

The company built a cloud-based Azure platform to monitor methane levels at its various distribution channels, such as pipelines and gas meters.

With a 19 P/E ratio and 3.76 dividend yield, DUK shares aren't expensive and pay investors handsomely through dividends.

Buying a utility stock is unlikely to earn you a fortune, but DUK is a great combination of energy innovation and capital preservation for investors.

JPMorgan Chase and Co. (NYSE: $JPM)

If more dealmaking through mergers and acquisitions is going to be a theme in the next year, then investment banks like JPMorgan Chase could reap the most significant rewards. JPM is known as one of the biggest brokers in major acquisitions and often handles the largest and most complicated deals.

Excitement over enhanced dealmaking seemed to benefit a number of banks in the days following the presidential election. Still, few companies saw a pop like JPM shares, which jumped more than 10% in the first session following the results.

Shares are up nearly 40% so far in 2024 and now have tailwinds like lower rates and deregulation firmly behind them.

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Source: *Benzinga Pro*

From a fundamental standpoint, JPM shares are cheap compared to some other banks (13.14 P/E ratio), and the company reported $4.38 in earnings per share last quarter, one of the banking and finance industry's top marks.

Analysts are also bullish on the stock, giving JPM shares a consensus Buy rating based on 22 reports. The highest price target on the stock comes from Barclays and was issued in October. Recently, reports have become more bullish on the stock despite a consensus price target still below current levels.

Costco Wholesale Corp. (NASDAQ: $COST)

Not every industry is excited about Trump's potential policies. Retailers are particularly worried about the effects of more tariffs on their imported merchandise, especially those that lack the pricing power to pass those costs on through.

Retailers with significant exposure to China have already begun making plans to move production elsewhere, such as designer shoe company Steve Madden, according to a recent report. Retailers that could benefit from such an environment are the ones with pricing power, and that's something Costco has thanks to its relationship with its suppliers and dedicated client base.

Source: ***Benzinga Pro***

COST's membership business model has several advantages in a world of protectionist policy. For starters, its inventory is narrow, with less selection than you'd find at a store like Walmart or Target. By purposely limiting its product lines,

Costco is able to keep inventory light and works directly with suppliers to bring goods into its stores. Leveraging these unique supplier relationships helps Costco keep prices down as well, and the company maintains a better margin than its more girthy competition.

Costco's business model is well-suited to perform well in times of inflation, which is still at the height of the consumer's mind despite a normalizing back down near 2%. Its bulk-purchase structure allows it to offer goods at lower per-unit costs, appealing to budget-conscious shoppers looking to save money.

As long as consumer spending is influenced by metrics like CPI and interest rates, Costco's value proposition makes it an attractive option for shoppers, boosting traffic and sales even in challenging economic conditions.

Analysts love the stock almost as much as the customers love the stores. COST shares carry a consensus Buy rating based on reports from 25 different equity analysts.

Most price targets are below current levels, however Tigress Financial gave the stock a $1070 price in October. Can COST keep making all-time highs in 2025? Consider the headwinds facing other retailers, the 2024 COST rally could last throughout 2025.

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