



More Canadians Wish to Buy Electric Cars for Christmas: Buy These 2 Growth Stocks

Description

Electric vehicles are [reported](#) to be high on Canadians' Christmas shopping wish lists this year, the latest DesRosiers Light Vehicle Study has reportedly uncovered.

The rising global craze for zero-emission vehicles is [gathering momentum](#), and world automakers at the 2017 Frankfurt Motor Show revealed more plans to shift long-term production away from the internal combustion engine, adding fuel to the lithium investment theme, as these cars will need to be powered mainly from lithium-ion batteries.

Investors are cashing in on this green trend, as lithium prices have ballooned, and **UBS** analysts expect a 2,898% incremental growth in global lithium demand by 2020, as global lithium-ion battery demand production increases by 521% between 2016 and 2020.

The lithium growth investment theme has made early investors in the space very rich in 2017. Here are two of the pure lithium plays that may continue to reward investors in 2018.

Lithium Americas Corp.

Lithium Americas Corp. ([TSX:LAC](#)) has been one of the [best lithium growth-investment plays](#) for 2017.

Adjusted for the November 2017, a 1:5 share reverse split was meant to attract new institutional investors and improve liquidity in the stock, as LAC eyed listing on the NYSE American Exchange. The stock has made investors very rich this year.

Rising from a split-adjusted price of \$4 a share in January, LAC stock hit an all-time peak at ~\$13.75 late November in a 244% rally, and the stock's \$11.60 price on December 13 still gives investors a 190% year-to-date gain.

This was a great return on a lithium miner that is yet to produce any battery-grade product and make it ready for sale to the input-hungry battery manufacturers around the world. Current revenue is from

organoclay production.

LAC has a 100% interest in the Lithium Nevada Project, whose lithium clay resource is said to be the largest known lithium resource in the United States, and where some of the most highly concentrated lithium clay in North America have been discovered.

The company's 2017 exploration program on this resource is underway and expected to be concluded by early next year with preliminary feasibility studies due to be completed by the second quarter 2018.

Most noteworthy, the company is in a 50/50 joint venture project development with the world's second-biggest lithium producer, **Sociedad Quimica y Minera de Chile S.A.** ([NYSE:SQM](#)), for the development of the Cauchari-Olaroz lithium project located in Jujuy, Argentina.

This is a very important project for SQM, as it is its only lithium asset outside Chile where there were some squabbles in 2015. SQM's massive technical experience, financial muscle, and unwavering commitment to the project are huge pluses for LAC's potential success as a lithium miner in the near future.

The valuation may have risen fast in 2017 and may be due for some consolidation, buying the dips could be best entry strategy.

Nemaska Lithium Inc.

Nemaska Lithium Inc. (NYSE:NMX) has been one of the most successful and most promising lithium juniors of 2017.

The year-to-date price gains of 75% by December 13 do not reveal the full story, but early investors who'd picked the stock at its \$0.425 levels in 2016 may be sitting on 400% gains today, while those who'd picked shares during the mid-year dip around \$0.96 have 122% investment profits waiting to be banked right now.

Nemaska Lithium recently successfully produced and shipped 1.5 tonnes of battery-grade lithium hydroxide from its Whabouchi spodumene concentrate processed at its phase one plant in Shawinigan this December.

This was a great milestone for a new entrant in the lithium market, and a critical graduation by a junior development project into being a producer of battery-grade lithium hydroxide from ore to final product — all this done in house.

The very first delivery was made to a cathode manufacturer in Quebec, and additional deliveries of lithium hydroxide will occur on a regular basis going forward.

The junior miner enjoys significant support from **FMC Corp.** ([NYSE:FMC](#)), the world's second-biggest lithium producer. The two signed a deal in which Nemaska will supply FMC Corp. with 8,000 metric tonnes of lithium carbonate per annum starting 2018.

The future looks great for Nemaska Lithium, as it starts generating revenues. The strong lithium pricing environment today is an encouraging sign that Nemaska may be economically viable and able to internally fund some expansion projects, minimizing potential for shareholder dilution.

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