



3 Reasons to Own This Growth Stock That Has Soared 42%

Description

There's is much at stake in the race to make the switch to environmentally friendly transportation vehicles.

Scientists are sending out warnings about global warming as they notice that glaciers are shrinking faster than expected, continuing to disrupt animal life and raise water levels.

But, there is hope.

Innovations in clean, [renewable energy](#) technology are accelerating, and solutions are being found.

One company that has made headway is **Ballard Power Systems Inc.** ([TSX:BLDP](#))([NASDAQ:BLDP](#)), a leader in fuel cell technology that has spent the last thirty years working hard to change the world.

Yes, thirty years. But don't be discouraged by that time frame, because big meaningful changes often happen gradually.

And now we are at the cusp of bigger and better things happening.

Here are three of the reasons to own Ballard stock, a [growth stock](#) whose stock price has soared 42% from its late 2018 lows.

Project JIVE

Project JIVE, which stands for Joint Initiative for Hydrogen Vehicles Across Europe, was launched in 2017, and its goal is to "advance the commercialization of hydrogen fuel cell buses through large scale deployment of vehicle and infrastructure."

The decarbonization process of public transport is clearly a key initiative.

And Ballard is and will be a key beneficiary.

The company announced a purchase order for 40 of its fuel cell modules from Van Hool, a bus manufacturer in Germany, and the fourth largest bus manufacturer in Europe; this represents the largest fuel cell bus program to date in Europe.

Just as exciting are the opportunities and progress made in commercial trucks in Shanghai and California, in trains in Europe, and in the marine industry, where Ballard has announced early work with Royal Caribbean Cruises, and where aggressive emissions reduction targets are being set.

Fuel cell electric passenger cars

The big auto companies, such as Honda and Toyota, are all on the Hydrogen Council, which is “a global initiative of leading energy, transport and industry companies with a united vision and long-term ambition for hydrogen to foster the energy transition.”

Audi and Hyundai are working closely with Ballard, with Hyundai planning to invest \$6.7 billion in the fuel cell transformation by 2030.

Low valuation

We can clearly see the momentum that has been building in this business, and while Ballard's financials are nothing to brag about, at least the stock is not pricing in much, trading at a price-to-sales ratio of only eight times earnings.

And Ballard still has no debt, and still has \$192 million in cash on its balance sheet, which will allow the company to take advantage of the rapid acceptance and growth of its fuel cell technology.

This is a stock to just buy and forget about as it works toward transforming the powering of transportation vehicles in line with the new zero emissions standards.

CATEGORY

1. Investing

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