



These 2 Stocks Popped on Monday! Should You Buy Them?

Description

For the past few weeks, investors have been treated to a very exciting, albeit volatile, stock market. Stocks came crashing down in anticipation of the U.S. presidential election only to rally after an announced Biden victory. Then came the first news of a potential vaccine by **Pfizer**, which led to a shift away from work-from-home stocks and into recovery stocks. On Monday, **Moderna** also released news of a potential vaccine causing stocks to go crazy again. All of this, during earnings season.

Without a doubt, the stock market has not been for the faint of heart lately. As a growth investor myself, I try to keep fellow growth-oriented Fools in the loop about the latest developments with Canada's [more exciting growth stories](#). On Monday, we saw two very big jumps up from companies that have been front and centre in the Canadian market this year. Which companies popped yesterday? Should you buy these stocks? I will discuss everything in this article.

This company is an Uber-meets-Tesla story

Uber was one of the most anticipated IPOs in 2019. In 2020, **Tesla** stole the spotlight for most of the year, as it raced to new high after new high before the COVID-19 pandemic. Have you ever considered a company that combines these two exciting growth stocks into one? That is exactly how some consider **Facedrive** (TSXV:FD).

As evidenced by the highly anticipated IPOs of Uber and **Lyft**, Transportation-as-a-Service (TaaS) is expected to grow significantly over the coming years. In fact, the global ride-sharing market is expected to grow at a compound annual growth rate of 19.87% from 2018 to 2025. Facedrive is the first Canadian company to jump on this trend. However, it also aspires to be recognized as the number one socially responsible TaaS provider in any market it enters.

How does it plan on doing this? Riders using Facedrive's platform can choose between electric, hybrid, or gas-powered vehicles. Then Facedrive will calculate the amount of carbon emitted throughout the trip and allocate an equivalent monetary value to the Toronto Parks and Tree Foundation. To further incentivize riders to use its platform, Facedrive aims to keep its fees competitive.

At its peak, Facedrive stock saw a year-to-date gain of nearly 1,000%. It has since fallen about 50% from those levels. However, on Monday, Facedrive stock saw a 20.72% gain. Is the stock on its way back up?

Is anyone talking about green buses?

With all of the focus on Tesla stock this year, EVs have been thrust into the financial spotlight. However, other industries would benefit from the development of EVs as well. **GreenPower Motor** ([TSXV:GPV](#))([NASDAQ:GP](#)) is a manufacturer of electric buses. The company's product line includes both high- and low-floor buses as well as transit and school buses, shuttles, and double deckers.

GreenPower was a very highly traded stock earlier this year as the company announced it would be [listing on the Nasdaq](#). From the date of its announcement to the actual listing, GreenPower stock saw a gain of about 1,000%. Although the concept is very attractive, the company's fundamentals could not support this incredible growth.

Just like Facedrive, GreenPower stock came crashing down after heavy selling pressure was applied. The stock lost about 62% of its value from peak to trough. On Monday, GreenPower led the Canadian market, gaining 33.29%.

Foolish takeaway

The two biggest gainers in the country yesterday were both environmental-minded companies. One aims to pay out an equivalent amount of monetary value for the carbon it emits. The other is a leading manufacturer of electric buses. It is unclear at this time why both companies shot up as much as they did on Monday.

Both companies may certainly benefit if the Biden presidency leads to an increase in climate awareness. However, at this time, it would be reckless to jump in because of yesterday's big climb. Investors have seen these stocks climb to nosebleed levels before, only to come crashing down. I would wait to see any concrete support for such an increase before starting a position.

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5. growth stocks
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7. long term growth
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1. TSXV:GPV (GreenPower Motor Company Inc.)
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Author

jedlloren

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