



Elon Musk: 2 Canadian Electric Vehicle Stocks to Buy Now

Description

Tesla, the California-based electric vehicle and clean energy company founded by Elon Musk, had consistently been one of the most shorted stocks in the United States heading into 2020. Bears had been swayed by lacklustre production, the rise of competitors in the electric vehicle market, and by the outspoken Musk. The only people more upset than Tesla short-sellers in 2020 are those who went into event planning this year. Shares of Tesla have erupted this year, making Elon Musk the second-richest man on the planet. Today, I want to discuss how Canadians can take advantage of that momentum on the TSX.

Elon Musk and the electric vehicle effect

A flurry of top auto manufacturers jumped head-first into the electric vehicle market to start this decade. The push for clean energy will see a greater number of electric vehicles on the road every year. This accelerating trend is one of the reasons Elon Musk managed to amass his fortune, even in the face of doubts over his company's production capabilities. Indeed, Canadians should be eager to get in on this market.

Global electric vehicle sales rose 65% from 2017 to 2018. Further, those figures were steady through 2019. The auto sector's struggles in 2020 also hurt electric vehicle revenues. Sales have dipped in the face of the COVID-19 pandemic. However, the arrival of vaccines and a return to some degree of normalcy in 2021 should see the market bounce back in the months ahead.

How to invest in the EV market on the TSX

Lithium stocks gained significant momentum in the second half of the 2010s. However, this momentum dissipated in the final years of the decade. In September, I'd discussed the comeback for one of the [top lithium-focused stocks](#) on the TSX — **Lithium Americas** ([TSX:LAC](#))([NYSE:LAC](#)). Its shares have soared 189% in 2020 as of close on December 11. Canadians looking for exposure to electric vehicle-related equities should look hard at Lithium Americas.

In Q3 2020, the company gave updates on its Cauchari-Olaroz and Thacker Pass lithium projects. Construction on the former is expected to be completed by the end of 2021, with production starting in early 2022. Lithium Americas is on track for strong earnings growth, but value investors may want to wait on a further pullback before jumping in. Moreover, this electric stock [may be overheated](#) like Elon Musk's Tesla.

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) has established itself as a significant player in automobile software. It recently announced a collaboration with **Amazon** that sparked a spike in the Waterloo-based company's stock. The partnership with Amazon Web Services (AWS) will be to jointly develop its vehicle data integration and monitoring system, IVY.

This software system can run inside and automobile's embedded systems. Moreover, it can be configured from the cloud to allow automakers to provide drivers with features that give them information on road conditions, driver performance, or battery use for electric vehicles. That means BlackBerry will have a role to play during the electric vehicle revolution.

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