



Forget EV Stocks: This Hydrogen Stock Offers Much More Potential

Description

Over the past few years, some of the best-performing companies have been electric vehicle (EV) stocks. Climate change is one of the biggest disasters the world faces. So, at the moment, nations worldwide are working to reduce greenhouse emissions and slow the effects of climate change.

One of the biggest contributors to greenhouse gasses, as many know, is the transportation industry. This gives [electric vehicles](#) a tonne of growth potential, as EVs are one of the main areas of focus in the green revolution.

Companies such as **Tesla** and other revolutionary EV stocks have exploded in value in recent years.

[Tesla](#) is just one example of a revolutionary electric vehicle stock. Investors have seen major potential with electric vehicles, as the world continues to work to reduce carbon emissions.

However, after major rallies in all the electric vehicle stocks, these companies are extremely pricey. So, investors will need to look elsewhere to find the next big growth stocks.

You don't have to look far, though. EV stocks aren't the only industry going through a major shift due to climate change. There are plenty of opportunities for investors in the green energy industry.

One of the top stocks, which has gone on sale recently is **Xebec Adsorption** ([TSX:XBC](#)).

Forget EV stocks: Xebec Adsorption offers significant long-term growth potential

Climate change is a major issue that's not reversible. So, while EV stocks and electricity generation are some of the biggest contributors to climate change and need to be addressed, so does every other contributing factor.

This is where Xebec will be key. Its industrial products will be crucial for several industries going forward. Xebec is a rapidly growing clean-technology company with hydrogen and renewable natural

gas assets.

This technology will be absolutely crucial to reduce emissions. Already well-known utilities such as **Fortis** have committed to using at least 15% renewable natural gas in its utilities by 2030. This is just one of many corporations reducing its carbon footprint.

On top of all the natural long-term growth that the company already has, it's also making several attractive acquisitions. Most of these have been in the hydrogen space as Xebec recognizes hydrogen as a major area of growth.

This growing expertise in hydrogen is leading to a string of sales and collaborations. One of the most recent projects Xebec announced is the sale of an adsorption system that will be used to purify hydrogen for an American fuel cell company. The hydrogen will ultimately go toward powering fuel cell electric vehicles for **Toyota**, making this a major project for Xebec.

Xebec's performance

Similar to EV stocks, Xebec has been one of the top performers over the last year. In 2020 the stock gained a whopping 307%, as investors began to realize its potential. In the last month, though, the stock has sold off by nearly 25%.

This is creating a major opportunity for investors. Xebec is still only a small-cap stock that's worth just \$1.3 billion. This gives investors huge growth potential, making Xebec a much better pick than EV stocks.

Analysts are considerably bullish on the stock, too. The stock closed at \$8.29 on Tuesday. Compare that to the average target price just below \$11 and the highest, which is as much as \$17.

Plus, as the company continues to get more contracts and makes more attractive acquisitions, you can bet the growth will increase rapidly.

Bottom line

Any company that will contribute to a cleaner global environment has significant potential over the next few decades. However, it's still important to look for value. So, while EV stocks offer incredible growth potential over the long term, stocks like Xebec offer even better value today.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:XBC (Xebec Adsorption Inc.)

PARTNER-FEEDS

1. Business Insider

2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

Date

2025/08/24

Date Created

2021/02/24

Author

danieldacosta

default watermark

default watermark