



Canada Is Investing in Hydrogen! Here's 1 Top TSX FCEV Stock to Buy Today

Description

Recently, **Ballard Power Systems** ([TSX:BLDP](#))([NASDAQ:BLDP](#)) investors witnessed a [parabolic spike](#), as investors have flocked to the hydrogen fuel cell space in droves.

How big was this spike?

Well, shares of Ballard Power now trade more than 250% higher year over year. Indeed, I believe most of this success is due to massive capital inflows into this sector. Indeed, demand for FCEV stocks is near all-time highs today. This has been further accelerated by Canada's investment in this clean energy sector.

Canadian investors looking for EV options have been gravitating towards fuel cell electric vehicles (FCEV) that run on hydrogen. This has continued to drive momentum in stocks like Ballard. Indeed, Ballard appears to be a stock in the right place at the right time, currently.

The hydrogen deal that has everyone talking

This month, Canada and Germany signed an agreement to cooperate on energy research and policy. This agreement focuses on hydrogen power development, as both countries target net-zero emissions by 2050. The collaboration aims at accelerating innovation and trade in the green energy sector.

I think this interesting agreement can prove exceptionally lucrative for most hydrogen fuel cell producers, including Ballard Power. In fact, this trade seems to have real legs right now. When governments get on board, we're talking about the potential for decades of investment in this sector.

For Canada, a country highly tethered to the oil and gas sector, this kind of diversification is a very good thing. Thus, I think these investments aren't likely to cease any time soon.

The hyped future of hydrogen and Ballard's business model

As hydrogen emerges as a real alternative fuel source (it's not quite there yet), there's some real growth potential long term. Indeed, the soaring valuations of most top hydrogen FCEV plays today is a testament to this.

I think there's going to be a lot of hot cash flowing into this sector for a while. Indeed, Ballard, as a key Canadian player in this space, could see some dough thrown its way. Regardless, hydrogen is red hot right now, with very impressive momentum.

Until a catalyst comes along to supplant the thesis behind hydrogen stocks, Ballard and its peers could keep running. That said, there are some significant valuation concerns. Indeed, Ballard's market capitalization and valuation are approaching levels that can only be supported by continued speculation.

Thus, I'm on the fence with this stock right now. On the one hand, you've got a company in a growth sector with tonnes of momentum. On the other, the valuation doesn't add up.

Accordingly, I'd caution investors to invest Foolishly and size any such position prudently today.

CATEGORY

1. Energy Stocks
2. Investing
3. Tech Stocks

POST TAG

1. energy
2. growth
3. growth stocks
4. investing
5. market
6. Stocks
7. tech
8. tech stocks
9. technology
10. technology stocks
11. tsx tech stocks

TICKERS GLOBAL

1. NASDAQ:BLDP (Ballard Power Systems Inc.)
2. TSX:BLDP (Ballard Power Systems Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred

5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Energy Stocks
2. Investing
3. Tech Stocks

Tags

1. energy
2. growth
3. growth stocks
4. investing
5. market
6. Stocks
7. tech
8. tech stocks
9. technology
10. technology stocks
11. tsx tech stocks

Date

2025/08/24

Date Created

2021/03/28

Author

chrismacdonald

default watermark

default watermark