



## 2 Top EV Stocks to Buy This Spring

### Description

The electric vehicle (EV) industry entered 2020 with the wind behind its back. Governments around the world have promoted renewable energies and a drift away from the oil and gas sector. **Tesla** broke into the EV scene with a vengeance in the 2010s, capturing a significant market share in the luxury vehicle space.

However, it was set to face stiffening competition in the early part of this decade. Unfortunately, the COVID-19 pandemic has curbed the growth prospects of this industry, at least in the near term. It is still on track for big growth for the long haul. Today, I want to focus on two EV stocks worth targeting on the Canadian market.

### Why this lithium stock has surged over the past year

Lithium miners attracted huge attention in the mid-to-late 2010s. Investors were excited over the prospects of lithium demand as the EV market was on track for big growth. This momentum would not last, and many who bet on lithium producers were burnt late last decade. The lithium market is gathering support in the early 2010s, and investors should pay attention.

**Lithium Americas** ([TSX:LAC](#))([NYSE:LAC](#)) is a Vancouver-based company that is advancing two promising lithium projects to production. Shares of this EV stock climbed 10% in 2021 as of early afternoon trading on April 8. The stock has soared 366% from the prior year.

In a recent report, Grand View Research projected that the global lithium market would grow at a CAGR of 1.9% from 2020 to 2027. This will be powered by increased demand for lithium-ion batteries in electric automobiles. In Q4 2020, Lithium Americas announced continued progress on its lithium mining projects. The company expects first production in the middle of 2022.

### An EV stock to snag for the long haul

**Magna International** ([TSX:MG](#))([NYSE:MGA](#)) is a giant in the auto parts manufacturing space in North

America. It [vaulted](#) itself into the EV space in the late 2010s. Magna has continued to make solid progress to start this decade, making it a quality EV stock to target in early April. Shares of Magna have climbed 25% in 2021. The stock is up 128% year over year.

In December 2020, the company announced that it would form a joint venture with LG Electronics to build components for electric cars. Magna will manufacture electric motors, inverters, and on-board chargers. This kicks off a more aggressive push into the blossoming EV market for the top Canadian auto parts manufacturer. The joint venture will include more than 1,000 employees at LG locations around the world. Earlier in 2020, Magna also announced that it would help manufacture an electric SUV for start up Fisker Inc. in Europe.

The top Canadian company released its fourth quarter and full year 2020 results on February 19. It was a tough year as revenues dropped 17% from 2019 to \$32.6 billion. Vehicle production suffered declines of 20% and 23% in North America and Europe.

Shares of this EV stock last had a price-to-earnings ratio of 35. That puts Magna in favourable value territory relative to industry peers. It also offers a quarterly dividend of \$0.43 per share, representing a 1.9% yield.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. NYSE:LAC (Lithium Americas Corp.)
2. NYSE:MGA (Magna International Inc.)
3. TSX:LAC (Lithium Americas Corp.)
4. TSX:MG (Magna International Inc.)

## PARTNER-FEEDS

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

## Category

1. Investing

## Date

2025/06/28

## Date Created

2021/04/08

## Author

aocallaghan

default watermark