



Apple Car: Could This Little-Known Canadian Company Help Build It?

Description

The **Apple** ([NASDAQ:AAPL](#)) Car rumour mill has been swirling again after months of fading into the background. An accurate analyst Daniel Ives of Wedbush Securities, was recently on CNBC saying that he believes that Apple may announce information to “lay the groundwork for an Apple Car.” Daniel Ives is one of the biggest bulls on Apple stock, and when the man speaks, it can pay to listen up.

Korean newspaper *Korea Times* also reported that the joint venture between LG-**Magna International** ([TSX:MG](#))([NYSE:MGA](#)) is “very near” to inking a contract with Apple, which seems to align with the announcement timeline of Mr. Ives.

The latest Apple Car rumours are intriguing

Now, I have no idea if Apple is, in fact, close to signing the dotted line with any firm to help it build an [autonomous EV](#) (electric vehicle). Even if CEO Tim Cook was close to inking a deal, there’s a chance that he may back out or opt to keep things under wraps. Apple is a highly secretive company, but Cook hasn’t denied that his firm is building a car. The man dropped a few hints about an Apple Car, but nothing was explicit. So, nobody really knows what’s going on behind closed doors at the largest company on the planet.

Clearly, Apple is all about secrecy. But the Apple Car may be too big a project to keep under wraps. Speculation on “Project Titan” has been going on for many years now. Yet, nothing has come of it thus far. Although the rumour mill has been going strong, Apple has done a great job of keeping the timeline and progress of its EV plans a secret.

That’s why many analysts are throwing darts at a board with the expectation of when the car will arrive. Many folks are betting that production will begin in 2024. Others think that 2028 is a more realistic target. I don’t think there’s nearly enough publicly available information to know when or if the Apple Car will land and if it’ll be fully autonomous. As such, rumours and hearsay should be treated as just that.

The top contender to build the Apple Car?

If you're keen on speculating on an Apple Car announcement and think Mr. Ives is right on the money about a potential announcement over the coming months, I think Magna is the best horse on which to bet. I think the Canadian auto part maker is by far the best candidate on a long list.

Magna, which has build autos in the past, is more in the business of building auto parts and assisting firms looking to develop their own vehicles. As a helping hand and a non-traditional name in the auto scene, I think there will be less "brand clash," as Apple is likely keen on making its car its own, not just an Apple-flavoured version of another automaker's car.

If *The Korea Times* report is true and Apple is close to signing with LG and Magna, I think Magna stock could face a massive re-valuation to the upside.

Apple isn't just another tech company looking to dip its toes into the EV waters. It's a powerful, disruptive force to be reckoned with. And if I were Elon Musk, I would be frightened if Apple were to announce its decision to get into the booming EV market.

Foolish takeaway

Even if nothing comes of recent rumours, reports, and [speculation](#), Magna stock is still cheap. And I do think it will win the business of a tech behemoth who's hungry for a share of the EV market. Whoever it'll be, I'm sure Magna will deserve to trade a much higher multiple, as it could play a huge role in the next generation of autonomous and electric autos.

As for Apple and a car announcement, I'd say it's unlikely to happen this year. But who knows? Mr. Ives has a track record of successful calls when it comes to Apple. And he could very well be right on the money.

Stay Foolish, my friends.

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