



Forget Tesla: 2 Cheap Canadian EV Stocks to Buy Right Now

Description

You don't have to [pay an arm and a leg](#) to gain exposure to the EV (electric vehicle) boom. Tesla stock is the go-to play for many hungry investors looking to get in on EVs, and while it does have a first-mover advantage, with Elon Musk and all the hyped fans backing it, it's important to realize that it's not the only EV stock out there. Heck, I don't even think it's the best.

Forget Tesla: It's not the only (or the best) EV stock

With plenty of [emerging EV companies](#) like **NIO**, old-school automakers like **General Motors**, and tech companies like **LG Electronics** (and maybe **Apple** sometime soon) are getting in on the action; Tesla faces a tough road ahead, as it looks to defend its turf. Elon Musk wanted to accelerate the move to sustainable transport. And he's getting just that, perhaps at the expense of his own company's long-term success.

At this juncture, pure-play EV stocks trade at absurd multiples, while traditional automakers like GM have valuations that are far easier for investors to digest. Tech companies, like Apple, may be cheaper, but the Apple Car project (or Project Titan) is a rumour for now, and CEO Tim Cook has done a pretty good job of keeping things a secret regarding the release timeline. Some folks, like Wedbush's Dan Ives, think that Apple could announce its dance partner this year, while others, like accurate analyst Ming-Chi Kuo, don't see an Apple Car landing until many years down the road.

In any case, there are two dirt-cheap Canadian stocks on the TSX Index that I think are far more attractive ways to bet on the imminent EV boom. Enter auto parts maker **Magna International** ([TSX:MG](#))([NYSE:MGA](#)), who's been rumoured to be a candidate to make Apple's Car, and energy-efficient bus maker **NFI Group** ([TSX:NFI](#)).

Magna

Magna is a Canadian auto parts maker that's no stranger to creating vehicles. The company's name has been thrown into the Apple Car rumour mill in recent months, and I think it's the perfect candidate

to lend a helping hand to such an innovative tech company.

Just last year, Magna and LG have joined forces on a \$1 billion venture called LG Magna e-powertrain. The venture will reportedly help manufacture next-generation e-motors, inverters, and onboard chargers. The Magna and LG partnership is a match made in heaven. And should Apple be thrown into the mix, Magna stock could really take off. I believe that Apple could do to Tesla and the EV market what it did to **BlackBerry** and the smartphone market nearly a decade and a half ago.

For now, any Magna and Apple rumours are pure speculation. In any case, Magna stock is dirt cheap, and LG dealings make the stock a buy, regardless of whether or not Apple joins the party.

NFI

NFI Group is one of the stealthiest ways to get in on the EV boom. Most people don't even know that NFI Group is working on the energy-efficient electric buses of tomorrow.

The company recently announced that it would build electric buses in New Zealand with Kiwi Bus Builders. New Zealand has the ambitious goal of having its bus fleet move to zero-emission vehicles by 2035. And I think many other developed countries could have similar, perhaps even more optimistic goals, over the next decade and beyond. That means NFI will have a heck of a lot of business, as localities look to wane off their addiction to fossil fuels.

NFI stock trades at 0.6 times sales and 2.2 times book value, both of which are ridiculously low. Sure, NFI suffered a massive fall from glory over the past few years, but things are finally looking up for the bus maker. And investors would be wise to punch their ticket into the name before the Roaring 2020s reward the highly cyclical stock, potentially with multi-bagger gains.

CATEGORY

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TICKERS GLOBAL

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2. TSX:MG (Magna International Inc.)
3. TSX:NFI (NFI Group)

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