



## 1 TSX Growth Stock That's a Cheaper Way to Play the Rise of EVs

### Description

**Tesla** ([NASDAQ:TSLA](#)) stock's rise has been nothing short of remarkable, blasting off past levels that many bears previously thought was impossible. Indeed, a considerable amount of shorts have been squeezed, and bears, including the likes of The Big Short's Dr. Michael Burry, haven't been nearly as active in expressing their frustrations with the stock that continues to defy the laws of gravity. Undoubtedly, things could change going into 2022 now that some prominent dents in the armour of many of the white-hot [momentum](#) growth stocks have been exposed. Whether the armour shatters next year is anyone's guess.

Regardless, I do think that Tesla stock is in a no-fly zone, as shares continue to be hammered. Indeed, CEO Elon Musk is a tech genius, but he looks like a financial whiz after disposing of a great deal of shares in the EV company. Moving forward, I think Tesla stock's negative momentum will be tough to stop. With increased competition and a harsher environment, I think Tesla's hefty price tag is no longer justifiable. In fact, I think TSLA shares had no business breaking the US\$1,000 mark in the first place, given it is no longer the only EV (Electric Vehicle) company to attract investors.

If you seek next-level growth, there are far better ways to get it with some of the discounted TSX growth stocks going into year's end. That's not to say that Tesla won't be able to grow. It's just that I don't think it will be able to grow in a fashion that justifies its multiple. Not with potential headwinds that could be in the cards over the next decade.

## Forget Tesla: there are better, cheaper ways to play the rise of EVs

Indeed, a great company can have a terrible stock if the valuation isn't right. I think that's the case for Tesla as shares fall further into bear market territory (currently off 25% from its high). Although it may be too early to reach for the beaten-up growth stocks, I do think one name [stands out on the TSX](#). I believe it can provide investors with a far better risk/reward over the next 5 to 10 years versus the likes of a Tesla stock. Coincidentally, it's also an indirect way to play the rise of EVs over the next decade and beyond. Enter convenience store giant **Alimentation Couche-Tard** ([TSX:ATD](#)).

The Canadian company we all know and love just rid itself of its class B shares and its dual-share structure. Now, the company will need to perform or run the risk of more significant influence from big-league shareholders. The company, which derives a good chunk of its revenue from fuel sales, is poised to begin rolling out charging stations for EVs at select locations.

## EV charging station rollout could supercharge ATD stock

Indeed, the firm is already well-versed, with its business in Norway, a market where EVs are already very popular. As demand for public charging stations increases, Couche-Tard will be able to make the most out of customer visits, with a broader range of offerings. Charging one's EV takes longer than fuelling up one's tank. In fact, one doesn't even need to set foot in the attached convenience store to fuel up a car. When charging, however, there's more time to kill. And if Couche-Tard can further improve its supply chain to equip fresh and hot food across its chains, the firm has the means to improve upon its operating margins in a big way.

Over the next decade, it'll be about high-margin merchandise sales, less about fuel and charging revenues. Investors may scratch their heads over Couche's future. It is uncertain. That said, if the firm can execute, it can reward investors with magnificent gains. Given the calibre of management, I think the firm is in good hands as it looks to replicate the success in the EV-heavy Norwegian market in the U.S. and Canada.

### CATEGORY

1. Investing

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2. TSX:ATD (Alimentation Couche-Tard Inc.)

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