



## Why Did Lithium Americas Shoot up 14% on Tuesday?

### Description

Lithium producer **Lithium Americas** ([TSX:LAC](#))([NYSE:LAC](#)) saw shares spike by around 14% on Tuesday on the **TSX** today. This came after two Wall Street analysts weighed in on the company, declaring it a solid buy in the time of electric vehicles and lithium batteries.

### What happened?

Two analysts weighed in on Lithium Americas recently, raising their [targets](#) and calling the company a buy. **Piper Sandler** weighed in, declaring the stock overweight and stating that the stock could reach up to \$41 per share. Meanwhile, **Deutsche Bank** also declared Lithium Americas a buy, jumping its target from \$31 to \$34 per share.

In the case of Deutsche bank, the analyst believes right now is a great time for lithium as a whole. The company recently announced its Cauchari-Olarox asset in Argentina would be online mid-2022. This would provide Lithium Americas with an astounding amount of revenue and profit, according to the analyst.

On Piper Sandler's end, in this case, the analyst focused in on the Thacker Pass asset, with the "potential for permits" to come "to fruition." Should the company have both Thacker and Cauchari online in 2022, there could be an incredible boost in production and revenue for the second half of 2022.

### So what?

This is the latest in a string of good news for Lithium Americas. The company is also on the verge of closing its Millennial Lithium deal here in [Canada](#) in an all-stock US\$400 million deal. The deal would add another Argentina project, which the company believes would come online in 2024.

Yet this comes as a rebound after the company dropped about 14% last week. Why? Lithium Americas announced it had raised US\$258.75 million in debt from convertible senior notes. However, this was

used to cover old debts at better rates, which wasn't immediately clear to investors.

## Now what?

So, now we have a company that's ripe for recovery, production set for this year, and remains valuable in a booming industry. It's no wonder that analysts weighing in was all it took for investors to come back running to Lithium Americas.

Granted, right now, Lithium has no revenue or profits to speak of. However, that could change mid-year. So, if you're willing to take on a bit of risk right now, with the potential for greatness in 2022, Lithium Americas is a solid option — especially as the price of lithium continues to climb, all as electric vehicles take over the marketplace in the next [decade and beyond](#).

### CATEGORY

1. Investing
2. Metals and Mining Stocks

### TICKERS GLOBAL

1. NYSE:LAC (Lithium Americas Corp.)
2. TSX:LAC (Lithium Americas Corp.)

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