



## Why Analysts Think Lithium Americas Stock Could Double in 2022

### Description

**Lithium Americas** ([TSX:LAC](#))([NYSE:LAC](#)) stock has taken a huge fall in the first half of 2022. Shares continue to drop, down 23% year to date and 47% from 52-week highs. And yet analysts continue to recommend the stock, giving it an average price target of around \$50 per share.

This could mean that Lithium Americas stock could *double* in the next year. So, what do analysts know that investors possibly don't?

### The catalyst

United States president Joe Biden invoked the Defense Production Act last month to help create critical-minerals production domestically. This would include lithium and may help Lithium Americas stock with its large new mine in Nevada.

The move comes from a variety of reasons. Canada and the United States continue to try and create their own supply rather than be reliant on China's [critical](#) minerals. China remains one of the largest miners of lithium, and the largest producer and consumer of electric vehicles.

So, the move by President Biden puts money into the hands of lithium companies like Lithium Americas stock. It could fund both production efforts and technology to encourage clean energy projects. And that's excellent news, as the company attempts to put its Thacker Pass project online, which could become the largest lithium mine in the United States.

### Can't reach goals without it

If the United States wants to succeed as an electric vehicle producer, analysts believe the U.S. *needs* Thacker Pass. Those goals cannot be reached without it — especially as costs should remain low, while production could rise as high as 80,000 tonnes per year in phase two.

While Lithium Americas has other projects, Thacker Pass is 100% owned by the company. And none

of them come anywhere close to producing the amount of lithium that this one should. Plus, it's not just electric vehicles that the company should benefit from. Lithium [batteries](#) are used in everything from cell phones to lap tops.

With results of its feasibility study on Thacker Pass due in the second half of 2022, investors may see shares rise around that time. Meanwhile, it continues to have a strong balance sheet, with plenty of support from the U.S. government.

## How high could it climb?

Lithium Americas stock currently has a share price target of about \$50. That would provide today's investors with a potential upside of 79%. Still, some analysts believe a recession is underway, meaning shares could drop further before they start climbing.

All in all, Lithium Americas stock received a boost from growth-stock enthusiasts looking for a way into the electric vehicle industry. But long-term investors should see today's share price as an opportunity. Shares have climbed 550% since 2017, and with the boom in electric vehicle use still on the way, that could very well happen again.

So, if you're interested in long-term investments, Lithium Americas stock has a lot of value today. The stock currently has 14 buy recommendations with just two hold recommendations. And it's clear now why analysts continue to stay behind the stock and its growth potential.

### CATEGORY

1. Investing
2. Metals and Mining Stocks

### TICKERS GLOBAL

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

### PARTNER-FEEDS

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

### PP NOTIFY USER

1. alegatewolfe
2. kduncombe

**Category**

1. Investing
2. Metals and Mining Stocks

**Date**

2025/06/29

**Date Created**

2022/05/11

**Author**

alegatewolfe

default watermark

default watermark