



1 Beaten-Down Canadian EV Stock (With Dividends) to Buy Now and Hold Forever

Description

The Canadian stock market selloff has accelerated in recent weeks, as macroeconomic concerns related to high inflation, rising interest rates, and a looming recession are continuing to haunt investors. On the one hand, the recent [market selloff](#) has corrected the share prices of some seemingly overvalued growth stocks. Then, on the other hand, it has made many already oversold growth stocks look even more attractive.

In this article, I'll talk about one such [Canadian electric vehicle \(EV\) stock](#) investors can consider buying right now to hold as long as they want. Interestingly, this growth stock also rewards its investors with attractive quarterly dividends.

Magna International stock

Magna International ([TSX:MG](#))([NYSE:MGA](#)) is an Aurora-based auto parts and mobility technology company with a market cap of \$19.8 billion. After consistently rising in the previous three years, this Canadian EV stock has dived by 32.5% so far in 2022 from \$102.35 per share to just \$69.09 per share, underperforming the broader market by a wide margin. By comparison, the **TSX Composite** benchmark currently trades with 12.1% year-to-date losses.

At the current market price, MG stock offers a decent yield of around 3.3% and distributes its dividend payouts on a quarterly basis. Now, let me explain why I find this Canadian EV stock worth buying right now.

Magna's growing interest in the EV segment

For years, Magna International has been among the largest global automotive industry suppliers. Considering a recent surge in demand for electric cars and smart mobility, it has increased its focus on expanding its offerings in EV and mobility technology segments in recent years.

While it already manufactures several critical components for electric vehicles and supplies them to large global automakers, Magna has recently [developed](#) an electric powertrain system for pickup trucks and light commercial vehicles called EtelligentForce. If you don't already know it, pickup trucks already dominate vehicle sales in the United States market.

Magna's EtelligentForce powertrain system simplifies the pickup truck electrification process for automakers. Interestingly, the company also claims that EtelligentForce requires less maintenance compared to traditional internal combustion engine powertrains, which could make it a very popular vehicle electrification option for auto companies in the coming years.

The demand for EVs is expected to skyrocket in the coming years, with more countries trying to move away from gasoline vehicles to cut their dependence on traditional energy products and lower their carbon emissions. This is one of the key reasons why I expect such innovative offerings for the EV segment to significantly boost Magna's financial growth in the long run and help its stock soar.

Top Canadian EV stock to hold forever

If you're looking for stocks that could help you generate consistent returns on investments, Magna could be a great stock for you to own forever. Despite its more than 30% year-to-date losses, it still has yielded nearly 225% positive returns in the last 10 years. In addition, its reliable dividends could help you earn extra passive income that you can reinvest in its stock to boost the potential returns on your investments in the long run.

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