3 Top Auto Stocks for Tech Investors to Buy Today

Description

Auto-tech is revving up to become one of the major trends of the decade. As the name suggests, this theme weaves elements of auto investing with the tech sector. Zeroing in on the electric vehicle (EV) market, investors can tap a widening range of blue-chip auto manufacturers for growth potential. From hyped-up beasts to burgeoning tickers, here are three of the best stocks to buy for exposure to auto-tech upside.

Accelerate portfolio growth with auto stocks

There's no need to reinvent the wheel when it comes to auto-tech investing. **Tesla** (NASDAQ:TSLA) is the first idea that springs to mind when perusing the available EV tickers. Aside from the fact that the company is fronted by the world's richest man, Tesla is also an upside machine, up 630% in 12 months.

Tesla could be due for a pullback, though. That makes this a watch-and-wait option for EV contrarians. This gloomy prognosis is based on more than simple overvaluation. From overcrowding of the EV space to a general ramping up of commodities prices, events could conspire to erode Tesla's lead.

Closer to home, **Magna International** has proven a durable workhorse of the TSX. For Canadian investors seeking green economy stocks, Magna packs a punch way above its weight, gaining 31% in the last three months. From a healthy balance sheet to 40% upside potential — plus a 2% dividend yield — Magna could turbo-boost an otherwise pedestrian stock portfolio. Supplying a range of international EV markets, Magna is a play for diversified auto-tech exposure.

That new car (stock) smell…

Continuing the international theme, and bringing access to a range of auto theses, **Stellantis** (NYSE:STLA) is a brand-new, U.S.-traded pick. The Netherlands-based auto multinational was recently formed by the merger of **Groupe PSA** and **Fiat Chrysler Automobiles**. One neat bonus is that the 50-50 merger brings investors automatic exposure to top-tier French and Italian-American automakers.

There is one small issue with Stelantis. This stock is newly minted, and — rather confusingly — its ticker is an anagram of another, perhaps better known, auto stock. Punch “STLA stock” into your search engine of choice, therefore, and you might find that your results are auto-corrected to “Tesla.” No big deal, perhaps, since Stellantis is likely to generate enough momentum to carve out a name for itself on the growth stock circuit.

Only marginally older than the new year itself, this stock is fresh off the production line. As such, investors should look to its component companies’ data when doing their homework. Nevertheless, would-be shareholders should be buoyed by Stellantis’s mandate to pump out 39 EVs by the end of 2021. It looks to be an achievable goal, with a brand portfolio that encompasses such luminaries as Jeep, Chrysler, Citroën, and Maserati.

In summary, investors have some high-quality names to choose from for exposure to the auto-tech trend. By combing through share price data and market fundamentals, investors can weigh up consensus targets and settle on their own buy signals. However, Tesla, Magna, and Stellantis are attractive stocks in pole position for long-distance wealth generation.

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2. electric vehicles
3. EV
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