

The Top Ways to Trade Joe Biden's Latest EV News

The electric vehicle boom shows no signs of slowing.

Here's what we already know.

According to a new study from the Boston Consulting Group, by 2025, EVs could account for a third of all auto sales. By 2030, EVs could surpass internal combustion engine vehicles with a market share of 51%.

And, according to the International Energy Agency, sales of EV cars were up to 2.1 million just last year alone, making up about 2.6% of all car sales.

Part of the reason for that are governments all over the world.

- In the U.S., California Gov. Gavin Newsom just signed an executive order that will ban the sale of gas-powered passenger cars in the state starting in 2035. That means only EVs will be available for purchase in the next 15 years.
- In Europe, "Automakers need to sell more electric vehicles after EU lawmakers in December 2018 ordered them to cut CO2 emissions by 40 percent between 2007 and 2021, and then by a further of 38 percent by 2030, or face fines."
- China just extended its subsidies for EVs, driving even more growth. In fact, according to a McKinsey report, EV market share in China is expected to grow 11 to 14% by 2022. More than 1.2 million EVs were sold in the country just in 2019.

We also know the U.S. just rejoined the Paris Accord.

We also know Biden is bullish on an EV future. Plus, we just learned Biden said the entire federal fleet will be replaced with electric vehicles.

"The federal government also owns an enormous fleet of vehicles, which we're going to replace with clean electric vehicles made right here in America, by American workers," said Biden, as quoted by Benzinga, which added, "The U.S. fleet is made up of 645,000 vehicles which include 245,000 civilian vehicles, 173,000 military vehicles, and 225,000 post office vehicles."

In short, there's plenty of fuel to push EV stocks higher.

Here are some of the top ways to trade the boom.

EV Stock No. 1 – Workhorse Group (WKHS)

WKHS is running on the federal fleet news. Over the last few days, WKHS ran from \$22 to \$35. From here, we'd like to see it closer to \$50 a share.



Workhorse Group Inc. designs, manufactures, builds, sells, and leases battery-electric vehicles and aircraft in the United States. It operates through two divisions, Automotive and Aviation. The company also develops cloud-based and real-time telematics performance monitoring systems that enable fleet operators to optimize energy and route efficiency. Its products include electric cargo vans, and medium and light-duty pickup trucks, as well as Horse Fly delivery drone systems.

EV Stock No. 2 – Nio. Inc. (NIO)

Since August 2020, the stock has now run from \$15 to \$57.45. All thanks to electric vehicle demand, strong earnings, and even stronger delivery numbers. For January 2021, the company delivered 7,225 vehicles, an increase of 352.1% year over year.



Cumulative deliveries of its ES8, ES6, and EC6 are now up to 82,866.

For December and 2020 full-year delivery results – NIO delivered 7,007 vehicles in December, increasing by 32.4% month-over-month, setting a new record for five consecutive months, and by 121% year-over-year. For the full year, NIO delivered 43,728 vehicles in 2020, representing a year-on-year increase of 112.6%.

Even better, Nomura analyst Martin Heung initiated coverage on the NIO stock with a buy rating and a price target of \$80.30. Heung also called Nio, the “epitome of a Chinese luxury brand,” and the “heir apparent in China’s electric vehicle world,” as quoted by Business Insider.

EV Stock No. 3 – Blink Charging (BLNK)

With the popularity of electric vehicles, charging station stocks could push higher, too.



After all, also noted by Biden, “There are now one million electric vehicles on the road in the United States. But a key barrier to further deployment of these greenhouse-gas reducing vehicles is the lack of charging stations and coordination across all levels of government. As President, Biden will work with our nation’s governors and mayors to support the deployment of more than 500,000 new public charging outlets by the end of 2030.”