

The Best Ways to Trade the EV Supply Issues

The first time we highlighted opportunity in lithium stocks was September 16.

At the time, we noted, "It's time to jump back into lithium. All as demand begins to show signs of outweighing supply."

We highlighted opportunity in:

- Lithium Americas (LAC) around \$9.04. It's now up to \$25.76.
- American Lithium Corp. (LIACF) around 93 cents. It's now up to \$2.90.
- Albemarle (ALB) around \$98. It's now up to \$155.15.

Even now, all three are still solid buy opportunities. Here's why.

These days, electric vehicle stocks like Tesla are all over the headlines. We consistently hear how governments all over the world want a greener future, full of EVs. Analysts tell us that by 2030, the world will see 125 million EVs on the road, as noted by CNBC. General Motors wants to phase out sales of internal combustion engines by 2035.

According to NBC News, "The auto industry is shifting from internal combustion technology to emissions-free battery and hydrogen powertrains. Several traditional brands have also committed to a complete transition, with Bentley recently laying out a target date of 2030 to switch entirely to battery-electric vehicles, or BEVs. Nissan this week said it will electrify all models by the 'early 2030s,' but that will include gas-electric hybrids as well as BEVs."

As a result, lithium demand is only increasing, as supply issues mount.

However, it's not just lithium in short supply.

One, the industry also needs far more graphite, which, "serves as the anode in the lithium-ion batteries that power these EVs, not to mention the growing number of portable tools and electronics that use the same type of battery," according to Mining News North.

That's good news for graphite-related companies, such as Graphite One Inc. (OTC:GPHOF).

Two, the industry is running short of cobalt. In fact, "We simply may not have enough supply. Research from MIT suggests there's not enough ability to mine and process the material to meet demand," reports Wired. That's good news for companies such as Wheaton Precious Metals Corp. (WPM).

Three, the industry is even running into a supply issue with silver, which is good news for silver stocks, such as Hecla Mining (HL).

Another great way to trade the electric vehicle and metal shortage story is with an ETF, such as Amplify Lithium & Battery Technology ETF (BATT), which carries a portfolio of companies generating significant revenue from the development, production and use of lithium battery technology, including: 1) battery storage solutions, 2) battery metals & materials, and 3) electric vehicles. BATT seeks investment results that correspond generally to the EQM Lithium & Battery Technology Index.

