

Stocks To Watch This Week? 4 Hydrogen Stocks In Focus

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Focus On Climate Crisis Put These Hydrogen Stocks In The Limelight

While clean energy development has picked up steam recently, practicality challenges have put hydrogen stocks in the back seat. But as we continue to push for a greener environment, it's time to rethink the most abundant element on earth. Although most attention in the stock market has been on *electric car stocks* and *solar energy stocks*, hydrogen stocks have also started to gain more attention among investors.

President Joe Biden just pledged to cut U.S. emissions by as much as 52% by 2030. *"These steps will set America on a path of a net-zero emissions economy by no later than 2050 ... Scientists tell us that this is the decisive decade, this is the decade we must make decisions that will avoid the worst consequences of a climate crisis."* To make all these possible, hydrogen could have a role to play.

The hydrogen economy may have largely remained a concept that has only gained a little commercial traction. But this could be set to change as climate change is at the core of Biden's agenda. On top of that, the first of the European Union's three-stage strategy to focus on hydrogen as a clean energy solution is already in progress. Investors could anticipate seeing demand for hydrogen energy increase relatively quickly. If you believe that hydrogen will play a key role in our renewable energy future, do you have these four top hydrogen

stocks to watch in the stock market now?

Top Hydrogen Stocks To Watch In 2021

Plug Power

Plug Power is a renewable energy company developing hydrogen fuel cell systems. These aim to replace conventional batteries in equipment and vehicles powered by electricity. In essence, it is a leading provider of clean hydrogen and zero-emission fuel cells that are both cost-effective and reliable. PLUG stock has risen by over 500% over the past year. During the same period, the company has announced multiple partnerships and executed strategic acquisitions.

From its fourth-quarter financials that were posted in February, the company reported \$337 million in gross billings for the year 2020, a 42.5% increase year-over-year. It also ended the year with \$5 billion in cash to execute on its global growth strategy and objectives.

More importantly, Plug Power is also on track to deliver on its recently raised 2021 and 2024 financial targets. The company had also acquired United Hydrogen and Giner ELX. This would position Plug Power as a fully vertically green hydrogen generation company. Ultimately, the company's green hydrogen

strategy could position it as an industry leader in the \$10 trillion hydrogen economy. All things considered, will you buy PLUG stock today?

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FuelCell Energy

FuelCell Energy is a fuel cell company that designs and operates its own power plants. In brief, the company operates power generation plants that use an electrochemical process instead of burning fuels. After remaining essentially flat for most of 2020, the company saw its shares skyrocketed with the election of a new president amid the prospect of massive government spending on green technology. Nevertheless, FCEL stock has since taken a breather and is now trading at a more reasonable valuation.

Hydrogen is no doubt one of the most expensive clean energy sectors to develop. Therefore, many fear it will fall by the wayside because of its cost. But as the climate change issue becomes more pressing, I wouldn't be surprised if the government is willing to throw in billions to develop the hydrogen industry.

On a more fundamental level, the company's business has been stagnating in the last five years as earnings have been deteriorating. The question here is, if this is the time that

hydrogen finally lives up to its potential, would buying FCEL stock on dips be a great idea?

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Bloom Energy

Bloom Energy has been gaining traction as a pure-play fuel-cell stock. The company's goal is to redefine the electric power market through its on-site electric power solution. BE stock has been riding the renewable energy wave in the stock market this year. Its solution delivers clean and sustainable power. The company also makes electrolyzers, which make hydrogen that goes into the fuel cells. Bloom Energy has been open about its plan to grab a piece of the hydrogen economy.

Recently, the company announced new leadership appointments for its international growth plans. The new global expansion efforts signaled by the company suggest that Bloom wants to grow its hydrogen business in global markets. For those unfamiliar, Bloom is a member of "Hydrogen Forward", a separate group of 11 companies focused on advancing hydrogen development in the U.S. The future of hydrogen could also brighten up as Chevron (NYSE: CVX) and Toyota announced that they are exploring a strategic alliance to catalyze the development of large-scale businesses in hydrogen.

While that alliance doesn't directly benefit Bloom Energy, any company working in the hydrogen economy could potentially

benefit. It looks like Bloom Energy is well-positioned to be the beneficiary from the growth within the hydrogen niche for years to come. Considering all that, is BE stock one of the best hydrogen stocks to buy and hold this year?

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Ballard Power Systems

Ballard is a developer and manufacturer of proton exchange membrane fuel cells. Its products are made for the heavy-duty motive, portable power, and engineering services market. Naturally, as governments seek to make the jump to sustainable fuel sources, Ballard would come to mind. Investors looking for electric vehicle stocks have also been gravitating towards fuel cell electric vehicles (FCEV) that run on hydrogen.

That has continued to drive momentum to BLDP stocks. In addition, the company offers many other intriguing platforms, including zero-emission fuel-cell solutions for marine vessels. Separately, the company announced on April 19 that it will provide fuel cell modules to Sierra Northern Railway in California to power a zero-emission switching locomotive. These demonstrate the versatility of Ballard's technology.

From its full year 2020 financial highlights, the company reported total revenue of \$103.9 million. Besides, Ballard wrapped up the year with a cash reserve of \$763.4 million as

of December 31, 2020. The company intends to maintain focus throughout 2021 on its heavy and medium duty motive applications and increase penetration in key markets of China, Europe and the U.S. With all these in mind, would you bet on BLDP stock as the company continues to expand?

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