



## A Top Stock to Buy in June

### Description

## Stephanie Bedard-Chateauneuf: Air Canada

**Air Canada** ([TSX:AC](#)), Canada's largest domestic and international airline, is my top stock for June.

Air Canada is one of the best performing stocks of the TSX so far this year, with a return exceeding 55%.

The airline reported a very good first quarter despite the continued grounding of its fleet of Boeing 737 Max aircraft. Results were boosted by an increased number of passengers and the recent acquisition of the Aeroplan loyalty program.

Air Canada earned an adjusted profit of \$17 million or \$0.06 per share in the quarter compared with an adjusted loss of \$26 million or \$0.10 per share a year ago.

Operating revenue rose to a first-quarter record of \$4.45 billion compared with \$4.07 billion in the same quarter a year earlier.

Analysts from Thomson Reuters had expected on average an adjusted loss of \$0.18 per share and revenue of nearly \$4.39 billion for the quarter.

What also helped to fuel the share price is a news that came out a few days ago stating that Air Canada is in exclusive negotiations to buy the company that owns Air Transat for about \$520 million.

Earnings are expected to grow by 19% on average annually for the next five years. The stock's five-year PEG is only 0.55, so Air Canada is very cheap relative to its high growth prospects.

*Fool contributor Stephanie Bedard-Chateauneuf owns shares of Air Canada.*

### CATEGORY

1. Investing

2. Top TSX Stocks

## **TICKERS GLOBAL**

1. TSX:AC (Air Canada)

## **PARTNER-FEEDS**

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

## **Category**

1. Investing
2. Top TSX Stocks

## **Date**

2025/06/27

## **Date Created**

2019/06/04

## **Author**

motley-fool-staff

default watermark

default watermark