



Better Stock to Buy in December: Air Canada (TSX:AC) or BlackBerry (TSX:BB)?

Description

The COVID-19 pandemic has damaged the airline and automobile sectors around the globe. Fortunately, the rollout of vaccines in late 2020 has sparked hope in the general population. Today, I want to look at two top **TSX** stocks that have gained momentum in the final weeks of this momentous year. **Air Canada** ([TSX:AC](#)) and **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) went through rough patches in 2020, but are finishing strong.

Which is the better stock to own in 2021 and beyond?

The case for Air Canada stock

Air Canada is the top domestic airliner and has emerged as one of the top growth stocks on the TSX during the 2010s. Its shares have plunged 46% in 2020 as of close on December 14. The stock is up 34% over the past month. Airliners have been pulverized by the pandemic, but the vaccine rollout has the industry hopeful for a return to normalcy in 2021.

Earlier this month, I'd discussed why Air Canada stock was [poised to erupt](#) in the months and years ahead. The airliner had rattled off record earnings in quarter after quarter coming into 2020. There will be a recovery period when this pandemic is history, but airlines should benefit from a global population that will be itching to travel.

In the near term, investors will still need to brace for some turbulence for airlines. Although the vaccine has arrived, it will take time before a satisfactory number of Canadians are inoculated. There are murmurs that the United States-Canada border could open in the spring. That is a good time for investors to expect things to loosen for Air Canada and its peers.

Why BlackBerry has surged in December

Canadian technology stocks like **Shopify** and **Kinaxis** put together a great performance in the face of the pandemic. However, BlackBerry was either struggling or static for most of the year. The Waterloo-

based company's exposure to the automobile sector caused its earnings to falter. In December, its fortunes turned, and the stock is attracting enthusiasm again.

Shares of BlackBerry have now climbed 26% in 2020 as of close on December 14. The stock has surged 56% month over month. This [started](#) with the announcement that BlackBerry would collaborate with **Amazon** to develop a cloud-based software platform in the automobile space. BlackBerry's attachment to the American behemoth bodes well for its growing footprint in vehicle software.

The company is set to release its third quarter fiscal 2021 results on December 17. BlackBerry exceeded expectations in its previous quarterly report. Shares have continued to gain momentum ahead of this earnings release. There are challenges ahead, but BlackBerry looks to have regained its footing in the closing weeks of this tough year.

Which is the better buy today?

BlackBerry's recent announcements are exciting, and I like the technology stock as a long-term bet. However, for investors seeking big growth right now, Air Canada is still my favoured play.

Airliners are gearing up for a big bounce back year as restrictions are set to be lifted in 2021 as the vaccine reaches the broader population. Air Canada stock has the chance to put together another banner decade.

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