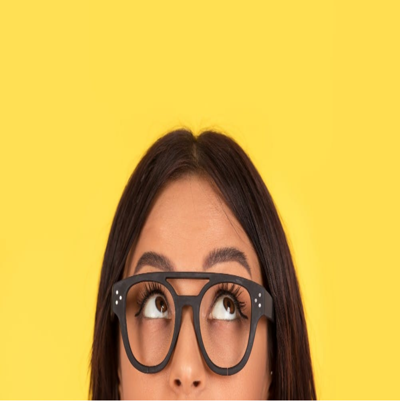

Forget Air Canada: 3 TSX Stocks to Hold Forever

Description

When this year started, I'd discussed the prospects for **Air Canada** in the face of the COVID-19 pandemic. This has been the worst challenge for the airline industry in decades. Still, the stock looks like a promising hold for the long term. Unfortunately, the pandemic promises to be a lingering issue. Some investors may be worried about its ability to rebound in the near term. Investors who want alternatives should look to these TSX stocks that possess great long-term growth potential.

Why investors should forget Air Canada and focus on automation

In January, I'd discussed the best stocks for millennials to target right now. Automation is one of the key trends young investors should be keen to jump on. Fortunately, **ATS Automation** (TSX:ATA) offers exposure to the world of factory automation. This TSX stock has climbed 46% year over year as of late-morning trading on February 11. Its shares are up 26% in 2021 so far.

Unlike Air Canada, ATS Automation and automation-linked stocks have benefited from the pandemic. The company released its third-quarter fiscal 2021 results on February 3. Revenues rose 1% year over year to $369 million. Order Bookings increased 18% to $435 million. Moreover, the Order Backlog rose 5% to $985 million.

ATS Automation boasts an immaculate balance sheet and promising growth potential. It is expensive in this hot market, but young investors can feel good about stashing this for the long term.

This TSX stock is geared up for big growth

Kinaxis (TSX:KXS) is another TSX stock I'd snag over Air Canada today. Its shares erupted in 2020, proving to be one of the most explosive stocks in the face of the pandemic. However, the stock has started slowly this year. It is down nearly 1% in 2021. Investors can expect to see its fourth-quarter and full-year 2020 results later this month.

Canada has become a leader in supply chain and operations planning software on the back of Kinaxis. The company has attracted **Ford**, **Unilever**, **Toyota Motors**, and other top firms with its cutting-edge technology. Kinaxis is well positioned to post strong growth on the back of this fast-growing market.

Skip Air Canada and target this automobile parts manufacturer

The global vaccine rollout has hit hurdles in 2021, but it has still presented a light at the end of the tunnel for the pandemic. Still, Air Canada and its peers will be forced to battle turbulence until we achieve some semblance of normalcy. The Canadian political class appears lost in a fog during this crisis, so we can expect little clarity on that front.

Instead of hoping for a breakthrough for airliners, investors may want to turn to the automobile sector. **Magna International** (TSX:MG)(NYSE:MGA) is a top TSX stock and the largest auto parts manufacturer in North America.

Its shares have climbed 46% from the prior year as of late-morning trading on February 11. Moreover, Magna has bolstered its exposure to the burgeoning electric vehicle (EV) market. In late December, it announced a joint venture with LG Electronics to construct electric car components. This follows developments in 2018, which included two joint ventures with Chinese companies to engineer and build EVs.

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