



Forget Air Canada Stock (TSX:AC): Buy These Stocks for High Growth!

Description

There has been an unbelievable rally in Canadian stocks over the past half a year, with the **TSX Composite** trading at all-time highs as of writing. Even those stocks that will still take some time to recover post-[pandemic](#) are seeing shares rise. That includes businesses like **Air Canada** ([TSX:AC](#)), a company that continues to take on massive debt.

True, many businesses have been negatively impacted by the pandemic. But Air Canada stock in particular was devastated, and continues to be. That comes from investors not knowing when exactly the company will see any type of normalcy when it comes to passengers and revenue. Yet investor interest remains high, mainly because Air Canada stock did so well before the pandemic and is now so cheap. But does that mean it deserves your investment?

Risk/reward for Air Canada stock

If you're willing to take on some risk for a long-term hold, you might still consider Air Canada stock. The company has the largest market share of the airline industry in Canada, and that's not likely to go away. In fact, if **Air Transat** eventually goes through, the company will have 60% of the market share. It will then have a low cost air carrier, business carrier, along with Aeroplan and fuel-efficient aircraft to keep cash coming in.

But to get there, it will still have a lot of spending to do. The company still has massive risk ahead of it, with a bailout still not in sight and potentially even more costs to take on. The world will have changed after the pandemic. There could be new security measures in place to ensure another pandemic doesn't spread around the world. This will cost money, and the company will have to take on even more debt.

And debt today is awful. The total debt is now just shy of \$13 billion as of writing and climbing. Prime Minister Justin Trudeau recently announced the vaccine should be available to everyone in Canada by September this year. But even then, it could be as late as 2024 by some estimates until the world is vaccinated. That means travel restrictions will remain in place, hurting the company for years.

High growth in energy stocks

But not all energy stocks are created equal. If you want high growth in the near and far future, you want to look at renewable energy stocks. Energy has been negatively impacted over the last few years, and worsened during the lockdown. Now top energy stocks offer incredible value as the economy recovers.

But renewable energy has a bonus. These stocks have investment coming from the United States federal government. The Biden administration is putting billions into renewable energy projects. That means these companies could see massive revenue over the next few years.

If I'm picking one, it's **Brookfield Renewable Energy Partners LP** ([TSX:BEP.UN](#))([NYSE:BEP](#)). This company has 19,000 megawatts in renewable energy projects around the world in a diverse range. It basically is a real estate investment trust, using revenue to acquire even more projects.

As the world shifts to [renewable](#) energy, you'll only see companies like Brookfield do better and better. But near term, you're likely to see a huge boost, with a 2.68% dividend yield to boot. Shares are up 50% in the last year, but down 8% from all-time highs as of writing. That's a perfect time to jump in on this stock for high growth in a short time. Then hold long-term for massive returns for decades to come.

CATEGORY

1. Coronavirus
2. Investing
3. Personal Finance

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:AC (Air Canada)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Coronavirus
2. Investing
3. Personal Finance

Date

2025/09/12

Date Created

2021/02/21

Author

alegatewolfe

default watermark

default watermark