



## Why it's Time to Buy Air Canada Stock Right Now

### Description

The airline industry had high hopes as the vaccine rollout began in late 2020. Countries have tackled this phase of the pandemic with varying success. Unfortunately, Canada has come out on the wrong end compared to its peers in the G7. What does this mean for **Air Canada** ([TSX:AC](#)) and its peers in the domestic airline industry? Today, I want to discuss why it is still a good time for investors to [snag this top airline stock](#).

### Are airlines coming out of the pandemic storm?

Canada has managed to salvage its position in the vaccine race as it has received many more doses in late February. The federal government has said that 3.5 million doses will be shipped in March. That will be enough to vaccinate 112,000 people every day in Canada. This is encouraging news for an airline industry that is desperate for a lifeline.

Air Canada has been forced to significantly scale back its operations in the face of the pandemic. Still, travellers' frustrations are growing due to new quarantine rules. International arrivals have dropped steadily in early 2021. It is impossible to say when these restrictions will be lifted. Still, hopes are justifiably high as Canada seems to be righting the ship with its vaccine rollout.

### Why Air Canada stock has gained momentum in February

I'd [suggested](#) that investors should snag Air Canada stock last week. Its shares have climbed 13% week-over-week as of mid-afternoon trading on February 24. The stock is up nearly 18% in 2021 so far.

Air Canada has reportedly made good progress in talks over a bailout with the federal government. This is one of the main reasons I'd recommended the stock to investors in the middle of February. The company has stated that it will not grant refunds to its customers without a government bailout. On the flip side, the federal government has stipulated that no bailout money will be used to go to executive bonuses. Fortunately, the two sides are still close to a deal.

Canada's top airliner has managed to parry bearish sentiment over the course of the past year. Yes, the stock has suffered, but nowhere near the struggles it faced in the previous financial crisis. The company worked to bolster its balance sheet over the past decade to avoid the near catastrophe it suffered in the early 2010s.

## Should you buy Air Canada stock today?

Some analysts and economists have sounded alarms over the frothy market conditions in the late winter. Indeed, the renewed bull market has had tremendous legs from the beginning of the 2020 pandemic. Still, central banks across the developed world have made it clear that they intend to maintain friendly monetary policy as the recovery marches on.

Air Canada still looks like a great target in this environment. The company will eye a big rebound in late 2021 and heading into 2022 as travel restrictions are gradually lifted. This top Canadian airliner still has a bright future.

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