



## Millennials: Why You All Should Buy Air Canada (TSX:AC) Stock

### Description

I'll be the first to admit that **Air Canada** ([TSX:AC](#)) stock does not look like a great buy right now. In fact, in numerous articles, I've stated that it's going to be a long time before investors see some positive revenue from this company.

But in the same token, I'm a millennial, and I have not sold my stake in Air Canada stock. That's because I'm looking at this investment as exactly that: an investment. I'm not looking for quick gains in a short time. I want a long-term hold that will see returns for years down the road.

That's what millennials will still get from Air Canada stock. And it's why right now is still the perfect time to buy.

### The road has been bumpy for Air Canada stock

Let's go way back, before the recent stock market crash in March 2020. Back in 2009, Air Canada was still recovering from the Great Recession. The company even slumped down to \$1, with many investors genuinely afraid that the company would go under. In fact, Air Canada was applying for federal cash — similar to today.

Yet the company quickly changed strategies to get cash coming in. It took on mainly U.S. travellers on long-haul international flights who had layovers in a Canadian city. This strategy actually made the company more successful than many U.S. airlines.

Then the company was able to start its short-haul leisure airline Rouge. While this section isn't as lucrative yet, and there is a lot of competition, Air Canada was in the works of becoming the 60% market share owner with its acquisition of **Air Transat**. On top of this, the company reacquired Aeroplan, where its rewards currency would bring in high-margin income.

Then there's the ground work the company put in. Air Canada purchased fuel-efficient aircraft before the crash and reinvigorated its flight paths. This alone brought costs down, putting it in a stronger position than many U.S. airlines before the crash.

## Don't ignore the pandemic

The pandemic has changed things for Air Canada stock and others. The company will have a lot of work to do to bring it back to positive operating income. The company has billions in debt, and that's only going to get higher. That's because Canada continues to have a strict travel restrictions that will remain in place until basically the world is vaccinated.

Beyond that, the company may also have to reinvest in a post-pandemic world to make travel safe again. So, before it can do that, it may have to ditch its long-haul flights it depended on before and focus in on business traffic for revenue. This will be difficult, as there are numerous competitors out there doing the same thing.

## Opportunity still awaits

I'm not saying millennials should ignore what's [happening](#) today. If you need that cash soon, Air Canada stock may not be for you. But if you have time to wait, then it's a great investment situation today.

The company will come out of this alive. While it may take even a decade before the stock sees normalcy as before the pandemic, it will get there. So, if you have the time to wait, during the next dip, it might be a great time to consider buying the stock and putting on blinders for the near future.

In fact, if you'd bought \$10,000 worth of shares at \$1 a decade ago, [today](#) you would have \$266,400! If we see that same growth in the next decade, investors in Air Canada stock could have \$256,143 in just 10 years!

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