



## Air Canada (TSX:AC) Could Fly Much Higher Heading Into Summer

### Description

**Air Canada** ([TSX:AC](#)) stock has really heated up in recent months, thanks in part to the broader rotation out of high-growth tech and into the beaten-down reopening plays. Air Canada stock more than doubled from the late October trough to its March peak, but it's been a pretty turbulent ride.

With shares now fresh off a correction off its 52-week high, is now a good time to get in before the great reopening trade really starts taking off? Or could the risk of a third COVID-19 wave bring forth a more attractive entry point over the coming weeks and months?

It's been a turbulent ride for shareholders, and more of the same can be expected. There are still considerable risks involved with betting on the top Canadian airline, but I think any steep dips should be viewed as opportunities for long-term thinkers to put some money to work.

### An intense battle between bulls and bears

At this critical market crossroads, it's a battle between the bulls and the bears. Investors seem split between a potential summertime travel boom and the threat of variants. So, are we on the cusp of the great reopening, or is there another lockdown looming? That's the million-dollar question, and unfortunately, I don't have the answers for the folks looking to make a quick buck by trading shares of Air Canada.

For those with stomachs of steel and the patience of a man like Warren Buffett, though, I do think that any dips are buys, regardless of what ends up happening over the near- to medium-term. If you can handle the turbulence and will be little-rattled by 40% swoons, Air Canada stock isn't the riskiest bet in the world, not when you have people throwing money at meme stocks and Bitcoin, which could drop over 90% without warning.

### The bull case for buying Air Canada stock at these heights

COVID-19 cases are growing out of control in places like Brazil and Italy, calling for strict lockdowns,

but that doesn't mean Canada or the rest of the world is headed for the same fate amid the vaccine rollout. In Israel, COVID-19 cases have been nosediving to multi-month lows. Are they free from the insidious coronavirus? Not yet, but the trajectory of cases is nothing short of encouraging. Heck, it may even be a sign of what Canadians can expect in the latter half of 2021.

Fellow Fool contributor Chris MacDonald seems to be [a raging bull](#) on Air Canada stock, pounding the table on a "once-in-a-generation" boom in vacation travel that could be right around the corner. Whether or not we're due for a spring full of reopening rollbacks or lockdowns like those suffered by Italy, investors have much to gain by holding through what could be a sudden summer of semi-normalcy.

## Foolish takeaway on AC stock

As the vaccine rollout continues, I wouldn't at all be surprised if the "[boom](#)" that MacDonald expects ends up coming to fruition. If it happens, Air Canada stock could continue its turbulent ascent to even higher highs. MacDonald and Air Canada shareholders are incredibly optimistic at this juncture, leaving room for another swoon into the red.

While things could still go wrong now that the expectations bar is set high, AC stock is still worth a second look. Perhaps you can snag shares on a pullback before any evidence of a summertime boom hits.

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