



Never Mind Air Canada: These 2 Canadian Stocks Could Double by 2022

Description

For more than a year now, **Air Canada** ([TSX:AC](#)) has continuously been one of the most popular stocks in Canada. Despite this popularity, though, the stock hasn't done much and doesn't offer all that much potential today.

There are, of course, positive arguments for an Air Canada investment. Pent-up demand will see Canadians want to return to travel as soon as possible. Plus, Air Canada is the largest and most dominant airline in Canada, so it should recover well when the time comes.

The problem is, nobody knows when the time will come. Also, a problematic rollout with vaccinations is causing Canada to lag behind several of its peers on a per-capita basis, which doesn't help. Add the fact that we're now in the midst of the third wave, and these variants seem to be a lot more worrisome.

Investing in Air Canada is tough, because it's impossible to tell when it finally can recover. And every day that it has to wait, the company is losing tonnes of money. That means that every day investors hold the stock waiting for a recovery, the stock loses value.

That's why I would forget Air Canada stock for now. Instead, these two Canadian stocks offer far better potential today.

A top Canadian energy stock

The energy industry was one of the worst-hit by the coronavirus pandemic. The biggest impacts were on oil companies, as prices and quantity demand declined rapidly.

[Natural gas](#) stocks have also been out of favour throughout the last few years, creating a major opportunity for long-term investors.

That's why, instead of Air Canada stock, I would recommend investors strongly consider taking a position in a low-cost natural gas producer such as **Peyto Exploration and Development** ([TSX:PEY](#)).

Natural gas is one of the cleanest fossil fuels. So, while the world is aiming to reduce its carbon footprint, natural gas will play a key transitioning role while we phase out dirtier sources of energy, such as coal and oil.

This gives natural gas stocks a major runway for growth. The best natural gas stocks, though, will be low-cost producers like Peyto.

Because Peyto is such a low-cost producer, it has a lot more upside than Air Canada stock today. As natural gas prices decline, Peyto's operations are robust, allowing the stock to stay profitable for longer than many of its peers.

And when prices finally start to rise, the Canadian energy stock will see rapid growth in its margins and profitability. That's why Peyto has a strong opportunity to double by 2022. It's also why it's a much better investment today than Air Canada stock.

Forget Air Canada: Buy this cleantech stock instead

The other stock I would consider today over Air Canada is **Xebec Adsorption** ([TSX:XBC](#)). Xebec is a cleantech company that makes industrial equipment that captures, purifies, and transforms raw gasses into clean energy.

The stock has been a top [growth stock](#) the last few years and exploded with popularity in 2020. A disappointing fourth-quarter earnings report coupled with a small selloff across the board for renewable stocks saw Xebec fall more than 50% from its 52-week high.

That's a major discount and an incredible opportunity for investors today. The stock offers far better potential than Air Canada long term. However, it also offers a tonne of potential in the short term, too.

Cleantech stocks like Xebec are still well ahead of their time, making now the perfect time to get in on the ground floor. So, if you're looking for an incredible long-term growth stock to buy today, Xebec is one of the very best.

CATEGORY

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TICKERS GLOBAL

1. TSX:AC (Air Canada)
2. TSX:PEY (Peyto Exploration & Development Corp)
3. TSX:XBC (Xebec Adsorption Inc.)

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