



## Air Canada Stock (TSX:AC): When Could the Stock Double?

### Description

**Air Canada** ([TSX:AC](#)) continues to be one of the hardest-hit companies on the **TSX** today. The pandemic proved detrimental for the airline industry, and that included Air Canada stock. The company couldn't simply shut down operations altogether. Instead, it continues to lose around \$14 million *per day* with flights grounded.

This, of course, is a problem for investors. You can't exactly take a long-term position in a stock that is losing so much value. The company already had billions in debt before the pandemic, and now it's adding more and more. Even with a bailout of \$5.9 billion, the company has a long way to go.

So that's why I have recommended in the past to perhaps wait until there is some positive news coming from Air Canada stock. And that's what I'm doing again today. However, I do have a better idea of when a rebound should occur. And in fact, when the stock could even double.

### Air Canada stock: A recovery on the way

While Air Canada stock may have a long way towards recovery, it's [indeed on the way](#). I'm not saying the stock isn't without risk. Air Canada stock today still has a lot of debt and there are likely to be further restrictions continuing for some time. It will also need to invest in keeping passengers safe. Some have even recommended a vaccination passport for travel.

But if you look back almost exactly 20 years ago, a similar situation occurred. After 9/11, the airline industry was sunk with the threat of terrorism. There was a large amount of investment made into the travel industry to keep everyone safe. That is the same today, and while it might be a cost, the airline industry will be better for it.

Now I'm also not saying you should necessarily buy Air Canada stock today. Instead, I would [watch and wait](#). The industry is still racked with volatility. More news could be on the way that sinks shares lower. However, there are signs you can watch for to know when it might be a good time to buy.

## Watch the signs

Sign number one to buy Air Canada stock to consider is watching Ontario. The province is now under one of the strictest restrictions. While travel isn't necessarily related to these restrictions, it's the vaccinations that investors should be watching. Once the province hits Phase III, hopefully in August, many Ontarians – and likely many Canadians – will have been fully vaccinated.

So what the full vaccination numbers. Fully vaccinated individuals will start thinking about travel. After two years at home and with disposable income burning a hole in their pockets, many want to spend.

Then there are the travel restrictions. The Canadian government already stated it would be looking to create a new tourism plan. When that is announced, it's likely shares in the company could jump as a result. Furthermore, Air Canada stock may report that with a new plan and full vaccinations, it is seeing an increase in reservations. If that happens, again we may see a share jump.

But these are all signs towards the biggest one of all: revenue.

## The date Air Canada stock doubles is...

Let's say all of this happens during the summer, which is likely. By September Canadians and the world over will likely start booking travel options for the holiday season. We should see an increase in bookings that could be near normal. But that's not when the stock is likely to double.

Earnings will be reported on this holiday season in December, perhaps January. When that happens, it's likely that Air Canada stock will finally see numbers near normal. Or at least far above the year before. And it's then that Air Canada stock is likely to double.

While there is no crystal ball, watch for the aforementioned signs for when Air Canada stock could double.

### CATEGORY

1. Coronavirus
2. Investing
3. Personal Finance

### TICKERS GLOBAL

1. TSX:AC (Air Canada)

### 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**

2025/09/11

**Date Created**

2021/06/17

**Author**

alegatewolfe

default watermark

default watermark