



## Forget Air Canada Stock (TSX:AC): 2 Growth Stocks With More Secured Upside

### Description

Restrictions are already loosening for travel-hungry citizens. As the country and the world slowly start to reopen, many continue to watch **Air Canada** ([TSX:AC](#)) for signs of life. Shares of Air Canada stock have remained at or around \$25 per share since the months after the crash back in 2020.

But Air Canada stock remains speculative until there is actual proof that it can rebound out of this treacherous situation. The pandemic caused the company to ground every single flight. Even now, management believes it will continue losing about \$14.5 million *per day* from ceased flights. Of course, with holiday bookings coming up, it looks like there could be breathing room in the near future. But again, that's all speculative, as Air Canada continues to take on enormous debt.

As of right now, Air Canada stock is a momentum stock. If there is any movement, it's from investors buying and selling based purely on headlines. It's dropping or jumping based on the whims of the market and hordes of traders following a wave. So, any growth in shares isn't sustainable until there is growth in revenue.

With that in mind, investors are far more likely to see secured upside potential from these two stocks instead.

### NorthWest Healthcare

If you're looking for growth, then stop looking at Air Canada stock. Instead, consider **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)). This healthcare real estate investment trust (REIT) is ideal for those seeking both growth and security in this post-pandemic world.

NorthWest stock has secured revenue coming in from lease agreements averaging 14.3 *years* as of writing. This comes on top of receiving over 97% of rents throughout the pandemic. That's only growing further, as the company continues to make acquisitions. Most recently, it bought up properties in the Netherlands and acquired an Australian healthcare REIT to add to its diverse portfolio.

As you can clearly see, NorthWest has properties around the world, but it goes beyond that. It offers

everything from office buildings to hospitals — something we've learned will not go away, even in the face of a pandemic. As it continues to buy up properties and see revenue climb, shares have climbed as well, up an incredible 129% in the last year alone! Meanwhile, investors can enjoy dividends of 6.19% as of writing.

Yet the stock is still undervalued, despite being a top growth stock compared to Air Canada stock. It currently offers a price-to-earnings ratio of just 9.6! Investors would do well to buy this stock ahead of even more growth. And with analysts predicting a further potential upside of at least 16%, that's secure passive income from two sources.

## Onex

Now let's say Motley Fool Canada investors want exposure to the travel industry post-pandemic. That makes sense. This industry is set to soar, including Air Canada stock eventually. But whereas Air Canada stock has a long road towards profitability, Motley Fool Canada investors can enjoy immediate profits from **Onex** ([TSX:ONEX](#)).

Onex stock buys up enterprise-level companies that make at least \$300 million in revenue each year. It acquires multiple companies, and that includes WestJet, which the company bought before the pandemic. It was not a great move in hindsight, but it is one of the most popular airlines in Canada. And it's likely to make a rebound through its Onex backing before Air Canada stock.

Shares of Onex are up 50% in the last year alone and provide dividends of just 0.44%, but that's still more than Air Canada stock. Meanwhile, it has a potential upside of 24% as of writing for the next year. Yet again, it's undervalued with a P/E ratio of just 3.2! With a diverse range of assets, investors can continue looking forward to secure growth for decades to come — something you cannot count on with Air Canada stock today.

### CATEGORY

1. Coronavirus
2. Investing
3. Personal Finance

### TICKERS GLOBAL

1. TSX:AC (Air Canada)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
3. TSX:ONEX (Onex Corporation)

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