



Air Canada (TSX:AC) Stock Could DOUBLE by 2022: Here's How

Description

Air Canada ([TSX:AC](#)) keeps setting up progress, and the COVID-19 virus keeps knocking it down. During its latest quarter, even management announced it was in post-pandemic [recovery](#). Air Canada stock wouldn't be providing any more net cash burn data in the future. And that future looked bright.

Enter Omicron

But then came the Omicron variant. Suddenly, the future looked far less certain, sending shares downwards. Air Canada [stock fell](#) 9% with news of a new variant. What's worse, shares continue to fall — not at a huge rate, but they're definitely falling.

The main issue with this new variant is that we still aren't sure whether the vaccines currently in distribution will cover Omicron. That being said, the companies have come out stating that the vaccine could be easily adjusted. So, that's something.

The problem remains, however, that everyone who had already received both doses would have to go back yet again to receive a new vaccine. It remains unclear as to whether the variant could be covered by the booster currently being distributed in Canada.

All of these question marks are hard to swallow when it comes to Air Canada stock. But news will come out eventually, and that's when Air Canada stock could double.

Doubling instead of dropping

The dip in Air Canada stock could be a great time to get in before it continues back to at least \$25 per share. And it will reach those share prices again. This is a short-term problem that long-term Motley Fool investors shouldn't fret so much about. Here's why.

During the last earnings report, several pieces of information came forward for long-term investors to consider. First, Air Canada stock returned the remaining government aid in favour of its own [financing](#)

agreement of \$7.1 billion. This is on its own terms. So, it's not like Omicron will suddenly leave the stock stranded.

Further, Air Canada stock saw revenue nearly *triple* year over year during its last report. While it's still down from 2019 levels, bookings are at 2019 levels and rising. This comes from an increase in air traffic from further vaccinations, but also with holiday travel. That increase in seating capacity rose 87% year over year. Again, still down from 2019, but it's getting there.

When it comes to the new variant, nothing really has changed. All employees are still fully vaccinated. Safety measures, including both mandatory and spot testing, remain in place. Once investors realize this, shares could start climbing. Furthermore, should Air Canada stock reach 2019 revenue levels in the new year, share could easily double!

Foolish takeaway

I'm not going to sugarcoat it: Air Canada stock remains volatile. New variants are likely to come up for years. But Air Canada stock believes we'll be post-pandemic by 2024 at the latest rather than the original 2025. This is supported by health research as well.

And this new drop in share price could be just the opportunity Motley Fool investors were looking for when considering Air Canada stock. Should the company hit a revenue boost in the new year, shares could double to \$40 per share before you know it.

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Date

2025/07/21

Date Created

2021/11/30

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