



## Blackberry shareholders get a taste for what might be in store – Part II

### Description

About a month ago, after hosting a well-received analyst day, U.S. company **First Solar** ([NASDAQ:FSLR](#)) saw its stock price soar by about 46% in one day. Much of this gain was attributed to a massive short squeeze as the company entered the analyst day with an outstanding short interest of 21% of shares outstanding.

Today, we have two more companies enjoying a similar dynamic on the back of better than expected quarterly results. According to Capital IQ, **Tesla Motors** ([NASDAQ:TSLA](#)) and **Green Mountain Coffee Roasters** (NASDAQ:GMCR) entered today with outstanding short interests of 24% and 22% of shares outstanding respectively. Given their positive quarterly results, short sellers are seemingly running for cover as the Tesla's stock has jumped 23% thus far, and GMCR is up 18%.

### What about Blackberry?

Though **Blackberry's** (TSX:BB,NASDAQ:BBRY) stock isn't having nearly the day that either of these stocks are having, someday it could. You see, whereas all three of the names mentioned had short positions in the low 20% range, Blackberry's current outstanding short interest measures 31% of shares outstanding.

While this has absolutely nothing to do with the underlying, long-term "value" of the company, because of this massive short interest, if Blackberry is able to show better than expected sales of its new devices at some point in the relatively near future, its stock price is likely to behave much like these other 3 names, at least for a day or so.

### Foolish takeaway

Playing a stock for a move that may not occur because of an outstanding short position isn't what Foolish investing is all about. However, if one day you wake and see BB shares trading higher by 40% or so, you'll know there is a massive short squeeze underway.

In contrast to the company's mentioned here, we have created a special **FREE** report that identifies 3 U.S. businesses that are so dominant no short-seller in their right mind should ever think of touching

them. Simply [click here](#) to receive “**3 U.S. Stocks Every Canadian Should Own**” – **FREE!**

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*Fool contributor Iain Butler does not own shares in any of the companies mentioned in this report at this time. David Gardner owns shares of Tesla Motors.*

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)

## Category

1. Investing

## Date

2025/09/06

## Date Created

2013/05/09

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