



Great Tech Stock Holdings for 2018 and Beyond

Description

Tech investments are of special interest to me. No other industry can improve our daily lives on such a vast scale, and with that improvement comes several incredible investment options for investors.

BlackBerry Ltd. ([TSX:BB](#))([NYSE:BB](#)) has undergone the most significant transformation by any company in years. The company was known for its small physical keyboard devices that ushered in the era of the smartphone, becoming a multi-billion-dollar company before iOS and Android emerged as larger, more modern ecosystems that catered to both consumer and enterprise users.

Most investors mistakenly assumed the Waterloo-based company as dead when CEO John Chen took the reins just a few years ago. Chen returned a focused approach to BlackBerry's development, directing the company to work on its core enterprise and security segments, while turning away from the hardware segment.

Today, the company is a leader in offering enterprise and security solutions to thousands of customers around the globe, with a steady stream of recurring revenue that is restoring investor confidence by the quarter.

BlackBerry's IoT product, known as BlackBerry Radar, is an intriguing take on addressing what are common problems in the industry. Small transponder-like boxes are affixed to containers, trucks, or any type of cargo; they feed customers a slew of information that goes beyond the typical location and speed.

Radar can be set up to provide a notification when the cargo falls outside a temperature range; it can report on humidity levels; it can even send a notification when the cargo container is opened.

Another area where BlackBerry has advanced in recent years is in autonomous driving. BlackBerry's QNX operating system is already in 60 million vehicles, managing the infotainment system, but that could soon be expanded into other areas of the automobile.

New car models are increasingly adding safety features and connectivity options that are the prerequisites to developing a completely autonomous driving experience. Those features are feeding

an assortment of data and diagnostics to and from vehicle systems, and this is where QNX can serve as the central hub for all those systems.

As an investment, BlackBerry has [plenty of potential](#), and over the past few quarters the company has improved immensely and returned to profitability, making the stock a great long-term holding. BlackBerry also recently [forged an alliance with another tech behemoth](#) over software.

You cannot mention any semblance of technology stocks or IoT solutions without giving fair mention to **Sierra Wireless, Inc.** ([TSX:SW](#))([NASDAQ:SWIR](#)).

Sierra is at the forefront of the IoT revolution, developing the connectivity modules and software necessary for those billions of devices to connect to the internet. The company has a commanding share of the marketplace in this regard and has also struck deals with major auto manufacturers around the globe to place embedded modems into automobiles.

There is no arguing the potential that Sierra holds for investors over the long term, and that common knowledge has resulted in the stock being oversold over the past year. The current stock price of just under \$21 is trending close to the 52-week low of \$19.06, down 18% year to date and down a whopping 37% over the past 12-month period.

In terms of results, Sierra announced fourth-quarter results for fiscal 2017 earlier this year which continued to highlight growth across the company. Revenue came in at US\$183.5 million, representing an increase of 12.6% over the same period last year.

The IoT segment realized incredible growth of 73.5% in the quarter, closing at US\$11.9 million. The OEM Solutions group came in 3.4% higher than the same period last year at US\$139.8 million. The Enterprise Solutions segment realized a 52% improvement in the quarter, coming in at US\$431.8 million.

As prevalent as IoT devices are becoming, we are nowhere near a saturation level. The automotive sector still could prove incredibly lucrative for Sierra in the upcoming years.

Another key point is that Sierra has no debt, and this is a massive advantage over its peers, allowing Sierra to reinvest freely into further development technologies, such as the ongoing 5G development with carrier partners.

Over the long term, Sierra continues to remain a massive opportunity for growth, but some investors may still see the stock as oversold.

CATEGORY

1. Investing
2. Tech Stocks

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1. Editor's Choice

TICKERS GLOBAL

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2. NYSE:BB (BlackBerry)
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4. TSX:SW (Sierra Wireless)

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