



Why BlackBerry Ltd. Stock Could Skyrocket in the Next 12-24 Months

Description

As far as Canadian technology companies go, choosing those that will outperform over the long run can prove to be a very tricky exercise. Case in point: **BlackBerry Ltd.** ([TSX:BB](#))([NYSE:BB](#)), a company that went from one of the world's leading innovators in the smartphone space to a company that's currently trading for a mere fraction of its former market capitalization.

As the smartphone market has shifted, BlackBerry's competitiveness within this space has also diminished, leading many to believe the company would simply not be able to survive in an innovation-heavy environment led by global juggernauts such as **Apple Inc.** (NASDAQ:APPL). The company's newfound CEO John Chen has turned the company's focus from innovating on hardware products, including smartphones, toward providing secure back-end technology solutions to corporate clients and a business clientele that demands such services. In an era in which security is paramount, and BlackBerry continues to be viewed as one of the safest platforms available. Moving in this direction has led to a marked change in the company's bottom-line margins in the past five years.

Since taking the helm in 2013, BlackBerry's valuation has increased substantially, providing investors with a near-double up over this time frame. The increase in the company's market capitalization has followed the company's path to profitability, and has been further advanced by strategic investments the company has made in key sectors such as autonomous vehicles – investments that have yet to pay off.

The bet for long-term investors is thus that CEO John Chen will be able to grow BlackBerry into an industry-leader in this space, growing the company's footprint as the software of choice for [major car manufacturers](#) around the world. While competition is growing, BlackBerry appears to have identified a very attractive niche to place its focus on, increasing the size and scale of its bet on this sector accordingly.

The very bullish argument on BlackBerry is that the company is just currently scratching the surface when it comes to the autonomous vehicle sector. With a solid management team that's been able to deliver on past promises, the hope among many investors is that such investments will lead to higher levels of profitability over time, making the company's current price to earnings ratio of under 22 seem

like a bargain in years to come.

The reality remains that questions surrounding the company's ability to innovate are likely to remain, as this sector still appears to be wide open with respect to opportunity. While I remain in the bullish camp with respect to BlackBerry's long-term future, I do believe that some room for [skepticism](#) remains with respect to just how big of a player BlackBerry will eventually become in this sector.

That said, a double up in the next 12-24 months doesn't seem unreasonable, and I'm not the only one placing such a target on BlackBerry. Only time will tell, but I'd recommend investors keep BlackBerry on their watch list and buy during dips in the near-term for those with a truly long-term investment perspective.

Stay Foolish, my friends.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:AAPL (Apple Inc.)
2. NYSE:BB (BlackBerry)
3. TSX:BB (BlackBerry)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing
2. Tech Stocks

Date

2025/08/26

Date Created

2018/06/22

Author

chrismacdonald

default watermark

default watermark