



Why BlackBerry (TSX:BB) Stock Is a Steal of a Deal Today

Description

One of the best bargains investors can scoop up today is **BlackBerry Ltd** ([TSX:BB](#))([NYSE:BB](#)). The popular Canadian cybersecurity stock is down 30% so far in 2020. It's been in the red for several days. The stock isn't just oversold, however — it hasn't been trading this low since the early 2000s.

Given that BlackBerry is coming off a decent earnings report, the recent losses aren't a result of any self-inflicted damage. Rather, it's been the markets that have been dragging BlackBerry down, which is why a recovery is very likely to happen.

BlackBerry shows a lot of promise over the long term

While it may be discouraging to see the stock down as much as it is, over the long term, there's a lot to like about BlackBerry as an investment. It's trading at a low and is right around its book value. And with cybersecurity and privacy concerns not going away anytime soon, its business is as sound as it's ever been.

[Ransomware](#) is an issue that isn't going away, and BlackBerry's services can help companies avoid costs that can be in the tens of thousands.

Although BlackBerry's recorded a net loss in the past three quarters, it's generated positive free cash flow in five of its past six quarters. As it continues to grow its business, these numbers are likely to get even stronger.

Its new [Cylance](#) business made up 15% of the company's revenue in its most recent quarter — and is likely to get bigger. BlackBerry's Internet of Things (IoT) segment contributes more than half of its revenue and licensing is another 30%.

The company's broad array of segments makes it a very diverse and strong investment. BlackBerry's many growth opportunities are one of the key reasons it's a safe long-term buy.

Another reason the stock could soar

BlackBerry's strong business also makes it an attractive acquisition target. Given its low market cap of just over \$3 billion, a tech giant like **Facebook** or **Apple** could easily absorb BlackBerry and strengthen their AI and cybersecurity capabilities overnight. It wouldn't be a surprise if sooner or later that becomes a possibility, especially as more privacy and data issues make the news.

But whether it's an acquisition or just value investors seeing the value in BlackBerry, the stock's unlikely to stay down for long. As the markets recover, a stock like BlackBerry is one that will rise along with them. From both a value and growth perspective, the stock has a lot to offer.

Bottom line

When the markets are down, it's an opportunity for investors to snag some great deals out there. And there may not be many better options than BlackBerry.

With a solid business, many growth opportunities, and trading at a very low price, investors who buy shares of the company today could stand to benefit from significant returns later on this year.

Whether you're a short-term investor or looking for a long-term buy, BlackBerry could be a great fit for your portfolio.

CATEGORY

1. Investing

TICKERS GLOBAL

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

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Investing

Date

2025/07/21

Date Created

2020/03/09

Author

djagielski

default watermark

default watermark