



BlackBerry (TSX:BB) Stock: Now Is the Time to Buy

Description

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) used to be a millionaire-maker stock. If you bought shares in 2002 and sold in 2008, you would have made *140 times* your original investment. A \$10,000 bet would have become \$1.4 million!

Of course, those days are long over. Since hitting all-time highs in 2008, shares have lost more than 95% of their value. Today, shares are stuck below the \$10 mark, with a valuation of just \$3.9 billion. That's a mighty [fall](#) for a company that once commanded 20% of the global smartphone market.

But here's the thing: BlackBerry stock is ready to rise again. This time, the returns could be *even more* spectacular.

Understand this stock

Before you take a position in BlackBerry, it's important to know what you're buying.

The company is no longer focused on smartphones. Last year, it didn't manufacture a single device. Instead, it's completely focused on software products, specifically for the cybersecurity market. This is an exciting place to be.

To understand the potential of cybersecurity software, all you need to do is look at the competition's stock prices. **CrowdStrike**, for example, is worth \$22 billion. It trades at an astounding 34 times earnings. CarbonBlack was another competitor, until it was acquired by **VMware** for \$2.1 billion, a steep premium to its trailing price.

Cybersecurity stocks are flying off the shelves right now, and for good reason. These businesses have high margins, recurring revenues, and target some of the biggest opportunities on the planet.

Even BlackBerry has entered the bidding war. In late 2018, it agreed to acquire Cylance, an artificial intelligence and cybersecurity company, for \$1.4 billion in cash.

“Cylance’s machine learning and artificial intelligence technology is a strategic addition to BlackBerry’s end-to-end secure communications portfolio,” the company wrote in a press release. “Notably, its embeddable AI technology will accelerate the development of [BlackBerry Spark](#), the secure communications platform for the Internet of Things (IoT).”

BlackBerry stock is ready

This tech company has executed an incredible turnaround. Gone are the days of hardware manufacturing. Today, it’s all about next-gen cybersecurity software.

There’s only one problem: the market hasn’t caught on yet. This is a problem for the current share price, but it’s a major opportunity for new investors. Right now, you can secure an incredible valuation for what could become a hyper-growth stock.

BlackBerry has assembled a truly impressive product portfolio. Its QNX platform, for example, secures the software that runs our cars and trucks. As our vehicles get more advanced, they become more vulnerable to hacking. These vulnerabilities become paramount when we achieve full self-driving capabilities. With the Cylance acquisition, the QNX platform can detect vulnerabilities *before* they even happen!

What could this business be worth? Likely several billion dollars. It’s already installed in more than 150 million vehicles worldwide. The opportunities and pricing will only continue to improve. This product alone is worth more than the entire market cap today. Its tech is so compelling that it recently partnered with **Amazon** to scale faster.

But the QNX platform isn’t the only product worth bragging about. BlackBerry has products targeting other lucrative opportunities like big data, healthcare analytics, and the Internet of Things. Now priced at three times sales, this stock is too cheap to ignore.

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