



## 3 Stocks to Sell Right Now

### Description

How often do you re-balance your portfolio? Re-evaluating an investment is a painful exercise that many of us tend to delay for as long as possible. In some cases, there's a good reason to hold off. Stocks can be volatile, and a weakness today could mean [massive profits tomorrow](#). In other cases, it might be best to rip off the bandage, take the loss, and move on to other, better investments. But should you sell right now?

Perhaps. Here are a few candidates to consider dropping from your portfolio.

### Sell right now: No trains, no planes, no profit

**Bombardier** ([TSX:BBD.B](#)) is one of the most controversial stocks on the market. The plane and train manufacturer *should* be one of the darlings of the market. Instead, the company has massive debt and seems incapable of emerging from its current position.

That current position is, in a word, dismal. Prior to the pandemic, Bombardier was courting suitors to offload its rail unit and pay down its massive \$9.3 billion debt. France-based Alstom finalized a \$4 billion deal earlier this month for Bombardier's rail unit. That deal was \$350 million lower than originally expected. But will it be enough?

Unlikely. The stock might get a bump off the sale, but the long-term prospects for Bombardier remain slim. The rail unit sale will provide a much-needed cash infusion, but it comes at the cost of a loss of long-term revenue. The deal is also ill-timed, as Bombardier's remaining aerospace segment is heavily focused on private jets, for which demand has waned in recent months.

Adding to that, Bombardier was bumped off the TSX60 earlier this year, as the stock dropped below \$1. In short, if you haven't dumped Bombardier already, it might be a good time to sell right now.

### No shows to enjoy, at least not anytime soon

**Cineplex** ([TSX:CGX](#)) is another stock that was once seen as a must-have investment. Cineplex is an entertainment business, but the company is most known for its array of movie theatres. As the largest movie theatre chain in Canada, Cineplex enjoyed an advantage over its peers for many years. Unfortunately, that advantage and, by extension, Cineplex's appeal as an investment has also waned.

So, why exactly should you sell right now? It comes down to two key points.

First, we're in the midst of a pandemic. COVID-19 continues to change so many things in our daily routine. The thought of sitting in an enclosed space with dozens of other people to watch a movie and snack on treats seems unsafe right now. Furthermore, the path towards a vaccine could still be a year or longer out. This is a massive blow to Cineplex's revenue stream and was a key reason behind the company axing its once-coveted dividend.

In other words, Cineplex's large theatres will remain empty and not generating revenue for the foreseeable future.

Finally, let's talk about a change in consumer tastes. Movie theatres were seeing lower attendance numbers far before the pandemic hit. An increasing number of streaming options have eroded the exclusivity and need for movie theatres, especially among younger customers.

## Not in the black just yet

There are few stocks on the market today that have had a decade as difficult as **BlackBerry** ([TSX:BB](#)) ([NYSE:BB](#)). The one-time king of the smartphone market has transitioned into a software-first company, licensed its name to partner devices, and invested heavily in the automotive space. So, why should you sell right now?

Don't get me wrong — all of BlackBerry's movements have been the right ones. The company has a significant advantage in the connected car space thanks to its QNX line, which is already installed in over 150 million vehicles. BlackBerry also proved right in shuttering its hardware segment and leaving devices to its partners. Unfortunately, neither of these initiatives are going to be the golden ticket that propels the company to its former glory.

In other words, BlackBerry might be the best stock among the three listed here, but in the context of what the stock can offer investors over the longer term, there are [far better options](#).

## CATEGORY

1. Coronavirus
2. Investing

## TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)
3. TSX:BBD.B (Bombardier)
4. TSX:CGX (Cineplex Inc.)

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