



Why BlackBerry (TSX:BB) Has SOARED Over 40% Today

Description

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) stock surged over 40% in early afternoon trading on December 1. The Waterloo-based technology company and e-commerce giant **Amazon** have developed a cloud-based software platform. This platform is designed to aid automakers and suppliers standardize vehicle data and speed deployment of new revenue-generating features and services.

How BlackBerry surged out of an uneventful 2020

When this year started, I'd suggested that investors should stack BlackBerry stock for what was gearing up to be an [exciting decade](#). BlackBerry has established footprints in the fast-growing areas of cybersecurity and automated vehicle software. Moreover, it has stellar leadership in the form of CEO John Chen. That said, it has failed to generate any serious momentum in 2020 until today.

Some companies in the technology sector have benefitted in a big way from the COVID-19 pandemic. BlackBerry's budding partner, Amazon, is one of them. The pandemic has pushed even more consumers to digital platforms to do their shopping. Indeed, yesterday was the largest online shopping day in United States history.

Why the auto sector has been held back in 2020

The pandemic has put the auto sector in a bind for most of this year. Demand has been hit hard, making life difficult for automakers and companies that cater to them. Fortunately, there does appear to be a light at the end of the tunnel. Vaccines from large pharmaceuticals like **Pfizer**, **Moderna**, and others are up for fast-track approval. Moreover, Prime Minister Justin Trudeau has said that he expects most Canadians to be vaccinated by September 2021.

This market is significant for BlackBerry, which has resulted in some headwinds for its earnings. The company reported a loss in its second-quarter fiscal 2021 earnings release. However, its revenue rose 6% year over year. Its revenue gain beat analyst estimates. CEO John Chen also said revenues exceeded the company's own expectations. Investors can expect to see its third-quarter results later

this month.

BlackBerry: Should you buy today?

Today's surge has pushed BlackBerry into the black for 2020. BlackBerry and Amazon Web Services (AWS) have stated that the new intelligent vehicle data platform, called IVY, will compress the time to build, deploy, and monetize in-vehicle applications and connected services across multiple brands and models. This will make it easier for automakers to collaborate with a wider pool of developers to accelerate development of apps and services. The platform is built on BlackBerry's QNX.

The company's further foray into the auto sector isn't the only reason to pick up the stock today. Moreover, it has also established itself as a [formidable player](#) in the cybersecurity space.

IVY will broaden BlackBerry's influence in the world of vehicle software. The goal is to establish a standard platform across the auto industry. This would be comparable to what **Apple** and **Alphabet** have accomplished through their iOS and Android platforms. AWS executive Sarah Cooper said to expect IVY to be installed on the first production vehicles in model year 2023.

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