



## BlackBerry (TSX:BB): Well Positioned to Skyrocket to \$17

### Description

**BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) stock is back in the spotlight following the major announcement that it had partnered with **Amazon.com** Web Services (AWS) to develop a vehicle data platform up in the cloud named IVY. In response to the news, BlackBerry stock skyrocketed to the double digits before pulling back viciously to around \$9 and change.

The big news made BlackBerry, an under-the-radar transformative tech play with front-row seats to lucrative tech sub-industries, a “sexy” stock again. The AWS collaboration is the needle-moving blockbuster news that patient investors have been waiting for. Although BlackBerry’s post-announcement bounce was the biggest since 2015, I still don’t think it’s a foolish (that’s a lower-case, “f”) idea to punch your ticket into the name at \$9 and change.

Shares are still absurdly cheap, given its longer-term growth prospects and continued turnaround efforts that I ultimately think will be successful. While I’m no fan of chasing momentum stocks, I’m sure you’d agree that a 1.7 times price-to-book (P/B) multiple is far too low, given what BlackBerry the type of splash that the firm is capable of over the next five years and beyond.

With Amazon standing in BlackBerry’s corner, I’d be inclined to pound the table on the stock while it’s still in the single digits.

## IVY makes BlackBerry a “sexy” play again, and here’s the crazy part: the stock is still dirt-cheap

The news of IVY has investors excited. And I think there will be far more to be excited about going into the new year, as [pandemic headwinds](#) fade and BlackBerry can prove itself to investors and analysts that it can become a serious contender in the world of enterprise software. COVID-19 headwinds will fade, QNX will bounce, and the IVY project has attracted attention back into the name.

While it’s tough to evaluate the company, given all the moving parts that have been further complicated by acquisitions, there’s no denying the powerful assets and the leadership of BlackBerry CEO John

Chen and company. For a stock trading at less than two times book value, it's hard to find a better deal in the innovative tech world.

Yes, turnaround plays, like deep-value plays, aren't everybody's cup of tea. Execution risk is a major risk for such plays. But for those with the conviction and patience, names like BlackBerry can provide investors with the greatest odds of achieving outsized returns over the extremely long-term.

John Chen is no slouch. He's a turnaround artist and a good one at that. BlackBerry may have been a perennial underperformer in recent years, as impatient investors threw in the towel for "sexier" plays. But only the long-term thinkers, I believe, will be the ones that will see their BlackBerry investment yield fruit.

## What could bring BlackBerry stock's excitement to the next level?

Fellow Fool [David Jagielski](#) recently brought up the intriguing idea that **Tesla** could be next in line to collaborate with BlackBerry:

"With Tesla coming under scrutiny for its drivers not paying attention and relying too much on the car's self-driving capabilities, there could be a reason for the two to link up together. One intriguing opportunity that could exist: providing data on distracted driving to Tesla and law enforcement."

There's no question that such a deal could propel BlackBerry stock to multi-year heights at around \$17. Such a collaboration just makes sense. If such a deal were to be announced, I'm sure that the speculators in white-hot shares of Tesla could jump on over to BlackBerry stock. That said, I wouldn't dare speculate on such a deal happening anytime soon.

## Foolish takeaway

The QNX business is recovering in a big way, and with IVY on the horizon, BlackBerry is in an unstoppable bull market of its own and would encourage investors to scale into a position in quarterly increments.

Moreover, having Amazon on board with its latest project is a sign that BlackBerry stock has finally become ripe for picking while it's still at the intersection between growth and deep value.

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joefrenette

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