



BlackBerry (TSX:BB) Stock: A Top Stock Pick for 2021

Description

2021 is fast approaching. With it, we'll have an extra \$6,000 contribution room in our TFSAs. We'll also have many opportunities to deploy this cash. Because there are many good opportunities on the TSX right now. **BlackBerry** ([TSX:BB](#))(NASDAQ:BB) is one of them.

But [should I wait for TSX stock market weakness before I buy some of these opportunities](#)? Which stocks are too expensive right now? And which stocks are still cheap? The answers to these questions can be found with a little work. Just drill down to each company. Look at valuation. Find out its opportunities and strengths. Finally, research its weaknesses. This old-fashioned SWOT analysis can give us our answers.

[I have written numerous articles](#) in the last week or so where I list my top stocks for 2021. Add this one to the list. Here's why BlackBerry stock on the TSX is a top stock to buy in 2021.

BlackBerry's transformation takes hold

Years ago, BlackBerry made the brave move to completely transform itself. It was a move that had many doubters and that took time and patience. But this move away from the handheld market was the right move.

In the new world, cybersecurity and machine-to-machine connectivity are major themes. In fact, these industries are currently entering a major growth phase. And it is growth that will be sustained. These secular trends will intensify. BlackBerry foresaw this and positioned itself in these industries. BlackBerry stock will benefit enormously.

In BlackBerry's latest quarter, revenue was still down versus prior periods. But cash flows increased. And a lot has happened with respect to new clients, bookings, and partnerships. For example, free cash flow was \$27 million. Partnerships with **ZOOM** and **Verizon** took shape. And BlackBerry now boasts that 83% of its software revenue is recurring.

BlackBerry stock: The cybersecurity industry is growing

Demand growth for cybersecurity will grow at a healthy clip as remote working increases. Research suggests that the global cybersecurity market is expected to grow from \$149 billion in 2019 to \$210 billion in 2023.

BlackBerry is seeing growing customer demand in this space. Its cybersecurity offering is posting strong billings growth. High-profile customers are plenty. And the company is posting significant backlog and order growth.

BlackBerry is a trusted provider of cybersecurity. Hackers are increasingly targeting different systems. This will spur strong demand for BlackBerry's cybersecurity solutions for some time to come.

Buy this top 2021 stock for its expertise in auto solutions

In its auto segment, QNX, things are progressing with strength. BlackBerry reported 17 new design wins in its latest quarter. QNX has a 20-year history of unparalleled expertise.

The big news in this segment is the BlackBerry IVY partnership. BlackBerry and Google Web Services have partnered to provide a top-tier vehicle software solution. This solution applies to every vehicle and every platform. It will transform the automobile software industry.

BlackBerry's target is to have IVY in 2023 vehicle models. It's an ambitious plan, but they're ready. At this time, we can expect big things for BlackBerry.

BlackBerry's stock price has shot higher, but there's more to come

So, BlackBerry stock has soared higher on the TSX in recent weeks. But I'm here to say that there's so much more to come. First of all, BlackBerry stock was at such depressed valuations all year. It was riddled with negative sentiment. It was not getting fair recognition. Today, investors are beginning to see things differently. BlackBerry has made a name for itself in two of the most promising industries. The company has a reputation for quality, consistency, and vision. Its future is bright.

Motley Fool: The bottom line

BlackBerry will continue to progress on its path to gain market share. The cybersecurity and the internet of things industries are booming. As this happens, BlackBerry's stock price will skyrocket. These are huge industries. BlackBerry is the quality provider of solutions. Therefore, BlackBerry stock is a top stock to buy in 2021.

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