



## This Tech Stock Could Rise 1,000% in 2021

### Description

This will be a volatile year for stocks. Some analysts think markets will continue to set new highs. Others believe a bear market is inevitable.

Yet no matter where the market heads, some investments will grow immensely in value. We saw this during the initial COVID-19 crash. When valuations were dumping across the board, a select group of companies saw their share prices soar.

If you want to earn 1,000% returns in 2021, here's what to do.

### Identify promising software businesses

If you want your money to grow 10 times in value, the choice is clear: stick with software stocks. Many of these investments have actually skyrocketed over the past decade, minting thousands of new millionaires.

But what exactly is so [promising](#) about software?

Think about a traditional business that sells physical goods, like mobile phones or basketballs. To acquire another customer, that business needs to manufacture another product. To sell that customer *another* product, it needs to manufacture yet another good.

This model makes growth slow and costly for physical good providers.

Software stocks have much less friction to growth. To acquire a customer, it just needs to send a download link. Software is often purchased on a subscription basis, so the company gets paid many times over for delivering the same product. Growth costs almost nothing, with customer acquisition being near-instantaneous.

It's not easy to earn 1,000% returns, especially in a single year. Stack the odds in your favour by sticking with software.

## This stock can rise 1,000%

If I had to pick any stock that could rise ten times in value this year, it would be **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)). If you think this business still manufactures smartphones, that's exactly why this stock has so much potential.

Last year, BlackBerry booked zero revenue from physical goods. Its sales base is now comprised completely of software and related services, the result of a multi-year turnaround effort. This company is currently a software pure play, and the market hasn't caught on yet.

BlackBerry is specifically focused on cybersecurity software, which should be one of the biggest growth engines for the sector over the next decade. Its Cylance division, for example, can detect threats *before* they happen by using advanced artificial intelligence networks.

How does the market value software stocks like this?

**CrowdStrike**, a cybersecurity competitor, trades at 64 times sales. Meanwhile, BlackBerry [trades](#) at 4.3 times sales. That's a huge gap!

If BlackBerry stock rose 1,000% in 2021, it would still trade at a healthy discount to its peer group. This isn't even factoring in any organic growth, which could surprise analysts over the next 12 months as its end markets start to gain traction.

## Next steps

Nobody can predict exactly when a growth stock will take off. Timing is always uncertain. But what you can do is stack the odds in your favour.

BlackBerry trades at a crazy valuation right now, even though it is directly exposed to huge, rapid-growth markets. The key is to make multiple bets on companies like this, diversifying your money across several high-potential stocks.

### CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

### TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Yahoo CA

### Category

1. Coronavirus
2. Investing
3. Tech Stocks

### Date

2025/08/15

### Date Created

2021/01/12

### Author

rvanzo

default watermark

default watermark