



BlackBerry (TSX:BB) Could Easily Double Again

Description

Tech stocks were *the* place to be in 2020. While some pundits think that we're overdue for a vicious growth-to-value rotation that could correct frothy multiples to be had on some of the higher-flying Canadian tech stocks, I think any such rotations are likely to be short-lived and mild, as they have been for many years.

That said, I do see many [bubbles](#) floating around in the market with some of the tech stocks that have more than tripled over the course of a few months. As a [self-guided stock picker](#), though, you can avoid such bubbles as you reach to the areas of the market that either reek of value or are not as expensive as they (or should) be at this juncture.

Indeed, the divide between growth and value has widened of late — and could continue to widen further as we head into the post-pandemic environment that could continue to reward the winners that keep on winning.

Looking for value and growth in an expensive market

While I'm still a fan of the businesses behind some of the **TSX Index**'s highest-flying tech stocks, the valuations on some of them are concerning. Some of the frothier names sport price-to-sales (P/S) multiples north of the 40x mark. And while it makes sense to pay a hefty premium for such growth names that'll stand to come roaring out of this pandemic, one must never neglect valuation and pay Mr. Market whatever he's asking for at a given time.

You don't need to risk a majority, if not the entirety, of your principal to get a shot at a double. In this piece, we'll look at one tech stock that I believe is "cheap" on a relative basis. When weighed against the calibre of its long-term growth potential, it becomes more apparent that the name could allow investors a somewhat safer shot at doubling up over the span of a year or two versus the likes of a "sexy" stock trading at north of 50x sales.

Without further ado, consider **BlackBerry** ([TSX:BB](#))(NASDAQ:BB), a growthy tech stocks that would also appease value investors.

BlackBerry is finally ripe for picking!

BlackBerry is a deep value stock that's been hibernating for many years. Patient investors grew fed up with the name, and they've been slowly throwing in the towel, as the company hasn't generated the performance that most would have liked. In numerous prior pieces, I called BB stock a play that begged for investor patience. If you held through the many years of underperformance, you're finally starting to get rewarded.

The firm has enjoyed a slew of good news, starting with the announcement of project IVY, patent sales, and most recently, a dispute settlement. The good news put BlackBerry back on the radar, and I think shares may finally be ripe for picking. The stock has more than doubled in a matter of weeks, yet the stock still reeks of value at 3.8x book.

With the QNX business in recovery mode, new catalysts, and the attention of your average investor, things are finally looking up for BlackBerry stock. The name could face a further re-valuation to the upside and would nibble today and on any pullbacks that could hit over the near-term.

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