



BlackBerry (TSX:BB) Stock: Time to Sell?

Description

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) stock has skyrocketed in January. The stock has more than doubled with 111.6% gains this month so far. In the last 10 days alone, it has risen by about 88%. By comparison, the **S&P/TSX Composite Index** has seen a 1.1% decline in the last 10 days while it's trading with just 2.4% gains on a month-to-date basis.

Before we discuss whether it's the right time to book profit in BlackBerry stock, let's take a quick look at what drove these outstanding gains in its stock lately.

BlackBerry and Facebook settlement

In mid-January, Bloomberg cited an email from BlackBerry's spokesperson Karen Clyne to [report](#) that BlackBerry and Facebook have settled their years-long "disputes pursuant to a confidential agreement." The spokesperson denied commenting any further on the issue, however. By January 13, BlackBerry was trading at \$9.45 per share on a slightly positive note — with about 12% gains for the month. Since then, the stock has been making big moves in each trading session that have made it the biggest gainer on the **TSX Composite Index**.

For a little background, BlackBerry sued Facebook and its subsidiary WhatsApp and Instagram in 2018 for patent infringements. BlackBerry claimed that Facebook's and its subsidiaries' messaging apps violate its intellectual property rights.

Time to sell BlackBerry stock?

I've been [suggesting](#) buying BlackBerry stock for the last few months. My recommendation to buy it was primarily based on BlackBerry's rising bets on the fast-growing electric vehicle (EV) market. In December, BlackBerry partnered with **Amazon** Web Services to develop a new intelligent vehicle data platform and market it to automakers. The company's new platform will enable automakers to provide a consistent and secure way to read and control vehicle sensor data. It plans to soon add more EV specific functionalities to its vehicle data platform.

Many mainstream automakers already use BlackBerry's QNX platform in their vehicles — including in their electric cars. Now, its new intelligent vehicle data platform would make its offerings more attractive for automakers — without any major changes in its marketing budgets. If we observe sharp recent gains in EV stocks like **Tesla** and **NIO**, we can expect BlackBerry to be on the same path this year with its increasing focus on the rising EV demand.

These were some of the reasons why I found BlackBerry stock to be an even much better investment option than **Bitcoin** or any other cryptocurrency.

Bottom line

Apart from these positive factors, BlackBerry's stock has skyrocketed in the last month due to its recent settlement with Facebook. Despite its massive recent gains, I don't find any considerable reasons to sell its stock right now. Although if you're holding a huge buy position in its stock with a short-term goal in mind, it would be wise to book profit at least partially.

While its stock might see a little technical correction in the weeks ahead, I still find BlackBerry's shares to be a wonderful long-term investment option. That's why long-term investors could continue to hold its stock without worrying about an expected downside correction.

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Date

2025/08/23

Date Created

2021/01/25

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