



February Outlook: Why BlackBerry Stock More Than Doubled in January

Description

The shares of Canadian tech firm **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) ended January with 113% gains. It became one of the most-talked-about **TSX** stocks last month with a sudden rise in its volatility and trading volume. While the company announced some major updates last month, the Reddit trading frenzy also played an important role in its rally.

Let's take a quick look at BlackBerry's key recent updates before we discuss its February outlook.

BlackBerry: January updates

BlackBerry stock has been on my stock watch list for the last few months, as its rising stakes in the electric vehicle and smart mobility segments caught my eyes. The company has been a major player in the auto industry in the last few years. Its QNX real-time operating system (OS) platform is already very popular among large carmakers.

Last month, BlackBerry expanded its partnership with the Chinese search engine giant **Baidu**. Under this strategic expanded partnership, Baidu's high-definition maps would run on BB's latest QNX Neutrino OS. Moreover, these maps and OS would be used in **GAC Group's** upcoming mass-produced electric vehicles.

GAC Group — which currently has partnerships with major global auto companies like **Honda**, **Fiat**, **Toyota**, **Isuzu**, and **Mitsubishi** — is one of the key automakers in the world's largest automobile market. I believe BlackBerry's rising footprints in the Chinese market would help drive big financial growth in the coming years.

BlackBerry also [settled](#) its years-long intellectual property rights infringement disputes with the American social media giant **Facebook** in January. The company hasn't provided any further details on the settlement so far, though.

The Reddit-fueled rally

Apart from these positive factors, [BlackBerry became](#) one of a few discussed stocks on the Reddit community WallStreetBets last month. Some experts blamed WallStreetBets — the subreddit — for fueling an irrational rally in some heavily shorted stocks like **GameStop**, BlackBerry, and **Bed Bath & Beyond**, etcetera.

That's why, when some brokerage firms like Robinhood and **Interactive Brokers** restricted users from buying some rallying stocks — including BlackBerry — they fell sharply.

BlackBerry stock: February outlook

The impact of the Reddit-fueled stock market saga on BlackBerry stock is difficult to ignore. The stock's volatility has massively increased lately — making it a risky stock to touch for now. Nonetheless, it remains a good long-term buy due to its efforts to benefit from surging electric cars demand.

Its partnership with **Amazon** Web Services — announced in December — is also in line with BlackBerry's effort to raise bets on the smart mobility and electric vehicle revolution. This partnership would allow BB to develop an integrated vehicle data platform that would expand its auto industry offerings.

Foolish takeaway

While these factors won't result in immediate financial gains for the company, they would certainly boost its revenue and profits in the coming years. That's why BlackBerry stock is a great stock for investors eyeing long-term growth, as I said earlier. However, its extremely high volatility may continue in February as the Reddit users continue to influence its stock price movement. And that's what makes its stock risky for short-term investors and traders.

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Date

2025/10/02

Date Created

2021/02/01

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