



Why Did BlackBerry (TSX:BB) Stock Rise 125% in 30 days?

Description

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) stock is soaring. In just 30 days, shares jumped 125%.

What's going on?

Are you ready to get crazy?

You likely heard about the **GameStop** drama, where users of Reddit conspired to send shares of the beleaguered video game store higher, aided by an intentional short squeeze. In January, BlackBerry was caught in the storm.

"BlackBerry stock has become a favorite among the traders who frequent the Reddit chat room WallStreetBets," reports Fool [contributor](#) Jamal Carnette. "Chen, BlackBerry's CEO, is heavily compensated based on stock appreciation, so if WallStreetBets continues to power the stock higher, it's likely the entire C-suite is in for a big equity payday soon."

Like GameStop, many investors are expecting a ludicrous rise. Savvy, long-term investors shouldn't play this short squeeze game, but that doesn't mean BlackBerry shares are off the table.

If you want exposure to some of the most exciting growth markets of the decade, this stock is still for you.

BlackBerry is bigger than this

Most people remember this company as a smartphone manufacturer, but it didn't produce a single phone last year. Today, it's all about next-gen opportunities like AI and cybersecurity.

In December, for example, the stock spiked after BlackBerry finalized a deal with **Amazon** to provide software products for autonomous vehicles.

"The company inked a multi-year deal with Amazon to develop and market its Intelligent Vehicle Data

Platform,” reported *Business Insider*. “The cloud software, called IVY, allows automakers to read vehicle sensor data and improve systems and performance.”

This is exactly what I’ve come to expect from BlackBerry. For years, the market ignored its promise, even though it executed an incredible turnaround, ditching commodified smartphones for differentiated software products with high margins and impressive renewal rates.

If you’ve been paying attention, you’re not surprised to see shares spike.

“If I had to pick any stock that could rise ten times in value this year, it would be BlackBerry,” I [wrote](#) at the start of 2021. “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.”

The incredible thing is that BB stock still trades at a 70% discount to peers like **CrowdStrike**. Reddit is having fun right now, but don’t let that distract you from the underlying long-term potential.

Invest now?

I love BlackBerry long term, but what about right now? Is it time to jump in?

The truth is that no one knows where the market is headed over the short term. I have *zero* clue whether shares will correct following the Reddit bonanza. That’s certainly a reasonable assumption. But perhaps this storm of attention is exactly what BlackBerry needed to close the valuation gap. Looking at the multiples, there’s still plenty of upside to go.

The trick, as always, is to keep a long-term outlook. This stock should be worth a lot more in five years, no matter what happens in the coming weeks or months.

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