



BlackBerry Stock: Time to Buy After the GameStop Frenzy?

Description

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) was cast from its throne in the hardware space over a decade ago. Still, the Waterloo-based company has continued to draw attention on the **TSX**. Shares of BlackBerry were down 6.2% in mid-morning trading on February 17. Today, I want to discuss how the stock looks after it passed through a social media-fueled frenzy in late January and early February. Let's dive in.

How the GameStop craze powered a run on this tech stock

The world took notice in late January when Reddit users banded together to [punish short sellers](#) who had targeted **GameStop** and other struggling companies. Shares of GameStop rose as high as \$483 during trading in late January. However, the stock quickly lost momentum as investors lost faith in the rally soon after it gained mainstream attention.

Reddit users also targeted shorted stocks like **AMC Entertainment**, **Nokia**, and BlackBerry. These equities followed the same trajectory as GameStop. Still, GameStop and BlackBerry are both up over the past month. Shares of BlackBerry have climbed 24% month-over-month at the time of this writing. Is the stock still worth snagging today?

Is BlackBerry worth picking up as the craze has calmed?

Earlier this month, I'd [discussed](#) why I still liked BlackBerry stock in 2021 and beyond. The company has a promising footprint in the automotive software and cyber security spaces. However, it needs to make progress in order to effectively compete with some of its strongest rivals in these sectors.

BlackBerry stock gained momentum in early December after it announced a collaboration with **Amazon** Web Services. Both companies will work on BlackBerry IVY, a scalable, cloud-connected software platform that will allow automakers to create personalized driver and passenger experiences. Moreover, it aims to bolster operations of connected vehicles with new BlackBerry QNX and AWS Technology.

The Waterloo-based company also has its work cut out for it with cyber security firms like **CrowdStrike** and **Palo Alto Networks** providing stiff competition. Fortunately, BlackBerry has been given a boost through its recent acquisition of Cylance for \$1.4 billion.

In Q3 fiscal 2021, the company unveiled its first Unified Endpoint Security (UES) solution for AI-powered cyber security. BlackBerry Cyber Suite will integrate with all leading UEMs, which includes **Microsoft** Intune. It also launched the first user behaviour AI technology for cyber security; BlackBerry Persona Desktop. The company uncovered a hack-for-hire group, BAHAMUT, in the third quarter.

Buy, sell, or hold today?

Investors can expect to see BlackBerry's final batch of fiscal 2021 results in late March. Shares of BlackBerry have already more than halved from their 52-week high of \$36 in late January. The company boasts a strong balance sheet and still has one of the largest patent troves on the planet. It can dip into these assets to raise cash when needed.

BlackBerry stock went deep into overbought territory during the social media-powered run. However, the stock had an RSI of 45 at the time of this writing. It is trending towards oversold levels and is well worth watching as it continues its February slide. I'm looking to target BlackBerry as it falls back to a reasonable price point.

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