



BlackBerry Is Tanking: Could These Red-Hot Stocks Be Next to Fall?

Description

The **BlackBerry** stock rollercoaster ride has been picking up speed in recent weeks, thanks in part to the retail army at popular subreddit WallStreetBets (WSB). The booms and busts probably aren't over, so unless you've got a strong stomach and a willingness to take on steep losses over the near-term, I'd look past the sideshow to the undervalued opportunities like **Fortis** that still exist in this frothy market.

Indeed, the speculative frenzy has been the talk of the town in recent months. With many people witnessing their friends getting [rich](#) off Bitcoin, Ethereum, **Tesla** shares, WSB short-squeeze plays, and explosive small-cap growth stocks, it's tough to stick with good, old-fashioned value names like Fortis. Such utility plays aren't going to make you rich overnight.

Heck, they'll probably continue underperforming over the near- to medium-term. That said, they won't stand to crumble like a paper bag without a moment's notice or even a reason for doing so!

Fortis is a bond proxy play that will help build *and* preserve your wealth over extremely prolonged periods of time. So, if you're looking to invest for the next 5, 10, even 20 years, Fortis is the horse to bet on, not the "sexiest" plays of today, which could stand to leave many weak-handed investors at an alarmingly high risk of holding the bag at the expense of others willing to take profits off the table before the herd.

Charlie Munger doesn't chase momentum stocks — and neither should you!

Charlie Munger, [Warren Buffett](#)'s right-hand man, recently had a bit to say about the "speculative frenzy" going on in today's stock market. While most other investors are ready to place their bets on a game of greater fools (that's based on the greater fool theory, and no, it has nothing to do with us Motley Fools!), Charlie Munger is fine enjoying the show safely from the sidelines. Because he's lived through his fair share of frenzies, he knows that they don't tend to end very well for beginner retail investors.

It's Munger's ability to resist the temptation of quick riches that allows him to get and stay rich over extended periods of time. Charlie Munger has been in the game for decades, and he's not about to give in to Bitcoin, BlackBerry or any other asset that's been driven higher by an unprecedented magnitude of momentum. He's a value guy. Call him boring if you will, but he tends to have the last word when frenzies end, bubbles burst, and those left holding the bag are in tears.

Momentum stocks that could reverse

Some other white-hot stocks that could be overdue for a painful correction include Telsa, crypto-miner **HIVE Blockchain Technologies**, and **The Bitcoin Fund**. The latter two could stand to reverse sharply if Bitcoin prices were to take a turn for the worst.

While there's a chance that the crypto and EV hype is still in the early innings, I certainly wouldn't want to run the risk of being caught offside should the momentum reverse. As someone wise once said, the higher you climb, the further you fall. The same can be said of Bitcoin, Tesla, or any other sort of market mania, as it continues scaling to record heights.

The appeal of quick riches to be had in the aforementioned securities is strong. And it may be worth risking a small portion of your disposable income. That said, I would be cautious if you're being drawn into the hype with little consideration for the downside risks. Sure, the technologies are appealing, but momentum can go in both directions.

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