



## Forget BlackBerry (TSX:BB) and Bet on This Fintech Stock Instead!

### Description

**BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) was one of the top stocks in the world at the start of this millennium. The stock surged from \$19 at the beginning of 2002 to touch a record high of \$250 in May 2008. This meant BlackBerry stock gained 1,200% in just over six years.

BlackBerry was one of the major players in the mobile device segment. However, it soon lost the smartphone race to tech giants such as **Apple** and **Samsung**, which resulted in the stock's downward spiral over the last decade.

BlackBerry stock is currently at \$12.7. While the company exited the highly competitive smartphone space to focus on its enterprise security vertical, it has lost market share here and is unable to grow top line in an expanding addressable market.

### BlackBerry stock is trading at a premium

BlackBerry is a fallen tech giant that has failed to impress investors with its turnaround story. It has two primary business segments that include software and services, a business that accounted for two-thirds of total sales in the first nine months of fiscal 2021.

The major vertical in this segment include its unified suite of security software, its IoT (internet of things) portfolio, as well as QNX, which is the automotive operating system.

BlackBerry's licensing business generated the remaining of the company's revenue via licensing fees on various patents.

In fiscal 2020, BlackBerry sales were up 15% year over year. However, top-line growth was mainly driven by its acquisition of Cylance as well as an uptick in licensing sales. In fiscal 2021, the company might experience a sales decline of 14% due to the slower-than-expected production of [QNX-powered vehicles](#) amid the pandemic.

As auto sales recover in 2021, analysts expect BlackBerry revenue to rise by 9% in fiscal 2022.

While BlackBerry's QNX vertical is poised for rapid growth in the upcoming decade, it will continue to face competition from cybersecurity giants such as **Palo Alto Networks** and **CrowdStrike**.

There is a good chance that BlackBerry stock will underperform the broader markets in 2021 and beyond, making it an unenviable pick right now.

## Nuvei stock should be on your radar

**Nuvei** ([TSX:NVEI](#)) is a Canada-based company that provides payment technology solutions to merchants and partners in North America, Latin America, Europe, and Asia-Pacific regions. Its solutions span the entire payments stack, which includes an integrated payment platform as well as global processing capabilities.

The Nuvei platform allows clients to securely accept payments in 200 markets and 150 currencies. In 2020, Nuvei reported sales of \$375 million, which was 52.6% higher compared to revenue of \$245.8 million in 2019.

The company also posted an adjusted EBITDA of \$162 million in 2020, up from just \$87.2 million in 2019. In fiscal 2021, the company expects sales between \$570 million and \$600 million and adjusted EBITDA between \$252 million and \$265 million.

At the midpoint of these forecasts, it suggests Nuvei has an EBITDA margin of a healthy 44% in 2021, up from 43.2% in 2020.

With the [digital payments vertical](#) all set to explode over the next few years, it makes sense to add Nuvei stock to your portfolio right now.

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