



Is BlackBerry Stock a Buy at \$14?

Description

Many would argue that **BlackBerry Ltd.** ([TSX:BB](#))([NYSE:BB](#)) has not done anything remarkable in the past few years. However, since the beginning of 2021, the company has been continuously in the spotlight, for more than one reason.

The [Reddit-fuelled meme stock surge](#) that pushed BlackBerry's stock price to its 52-week high in January 2021 was incredible. What is most interesting is that post-correction, this meme stock continues to trade at an attractive price. In fact, there are many investors holding on to BlackBerry stock with the belief the stock holds excellent growth potential today.

While BlackBerry may indeed have lost its meme stock mojo, there are a few catalysts that could entice an investor to hold onto this stock.

Patent dispute resolution and Amazon deal huge

BlackBerry's stock was already on the verge of a parabolic move prior to the meme stock frenzy. Last year, the company announced what many think will be a transformative deal with **Amazon.com, Inc.** ([NASDAQ:AMZN](#)).

In January, BlackBerry announced a patent settlement with social media giant Facebook in January.

Investors appear to have increased optimism these catalysts could take this stock higher. In other words, the stock was already primed with an underlying growth thesis. While these growth drivers alone will likely aid BlackBerry's long-term performance, there are several other factors which may also add to the momentum.

The retail trade may not be over

Though the frenzy over retail investor favorites has toned down, I don't think the speculative fervor surrounding BlackBerry stock has died down entirely.

Retail investors, day traders, and institutional investors whose main gig is speculation-based investment may continue to be a driving force for this stock. Indeed, many such investors may view the Amazon deal as a key growth catalyst to latch onto. Amazon is always looking to tackle the next best growth segment. Accordingly, the fact Amazon has partnered with BlackBerry is a meaningful sign that investors should do the same.

Apart from pure speculation, the mountain of savings Canadians and Americans have been sitting on through this pandemic could provide a surge of capital into growth stocks.

Bottom Line

Currently, BlackBerry appears to be an interesting speculative buy. Then again, the past few weeks have not favored growth stocks as bond yields continue to soar.

However, judging this stock based only on its newfound growth catalysts, there could be real long-term upside for investors. BlackBerry appears well positioned to (eventually) profit from its years-long shift from hardware to software, and grow alongside one of the most innovative technology companies out there.

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1. Investing
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