



BlackBerry: A Meme Stock Worth Considering Today

Description

The meme stock hysteria we saw play out earlier this year took **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) investors on a wild ride. However, as this mania has died down, BlackBerry stock has returned to levels that many view as a fundamental base.

Indeed, this is one of the few Canadian tech companies with some impressive [growth catalysts](#) today. Yes, it's expensive on the basis of its backward-looking results. However, long-term investors may want to give this stock a chance at these levels.

Accordingly, here are a few reasons I think this meme stock could continue to intrigue investors right now.

BlackBerry's growth prospects solid

What turned BlackBerry into a hot favourite among retail investors was its **Amazon** deal. The much-discussed partnership with Amazon Web Services to create BlackBerry IVY, a cloud-based vehicle data platform, has garnered a positive response from automobile manufacturers and investors alike.

However, most investors will note that the company's unsustainable stock price rise was completely unrelated to these growth catalysts.

With the meme stock hysteria dying down, many growth investors are hopeful that more attention will be paid to these growth catalysts. The connected vehicle market is expected to triple in size by 2026. Accordingly, there's a tonne of optimism that this partnership could provide impressive growth for BlackBerry and its shareholders over time.

I think long-term growth investors need to be patient with this stock. Right now, it's approaching a level that is enticing for growth investors to once again consider this name.

Transition still underway

Another thing investors need to keep in mind is that BlackBerry is still a turnaround play. Thus, investors are continuing to price in execution risk with this stock, as it continues to show mixed quarterly results on the transition.

Indeed, the shift toward becoming a pure-play software company has not been smooth for BlackBerry. Its recent results show a retracement that investors have viewed as broadly negative. Until the company shows the growth investors are hoping for, this situation could continue for some time.

Again, this underscores my thesis that this is a growth stock investors need to be patient with today.

Bottom line

Despite a lack of momentum right now, I think BlackBerry stock represents an intriguing speculative growth pick. Yes, execution risks remain high. However, for those who believe in CEO John Chen's vision and skill in transforming this business, buying when the stock is beaten up is a great strategy.

That said, this is a high-risk, high-reward play today. I'd certainly recommend investors who are bullish on the company's turnaround efforts keep such a position small for now and build it over time.

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