



BlackBerry (TSX:BB) Stock: Is There Actually 247% Upside?

Description

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) is one of the hottest stocks on the market, but some analysts think shares will head even higher. If some predictions come true, there could be 247% in upside, maybe more.

Is now the time to buy?

Growth is starting now

When do you want to buy growth stocks like BlackBerry? The best time is before the growth begins. Once it does, the valuation multiple will skyrocket. You can sense the difference by comparing BB stock with **CrowdStrike** (NYSE:CRWD) stock.

In many ways, CrowdStrike is similar to BlackBerry. Both companies focus on next-gen software to improve the cybersecurity capabilities of their customers. Yet CRWD stock trades at 52 times sales and BB stock trades at just six times sales.

Why the giant gap? The answer is simple: one company saw sales grow by 86% last year, while the other company experienced a sales *decline* of 14%. I'd pay a lot more for the first business, and so would the rest of the market.

But this is where you should get excited. By betting on growth *before* it arrives, you can score a [valuation](#) that's nearly 90% cheaper than the peer group. You just have to take a bit of extra risk. Looking at the facts, BlackBerry appears poised to deliver.

Watch these markets closely

BlackBerry's growth rates aren't like CrowdStrike, but there's reason to believe they're set to rise in the months and years to come. The company spent the past decade winding down its failed smartphone business. Now, nearly all of its revenue is tied to cybersecurity software, which as CrowdStrike has

demonstrated, can grow at rapid rates for extended periods of time.

Software is a wonderful place to be. Profit margins are high, sales are often recurring, and growth is simply a download away. Within the software space, cybersecurity looks particularly lucrative.

Every day, thousands of new devices get connected to the internet. All of these devices are vulnerable to hacking. That's annoying and costly when it's a computer or phone, and potentially lethal when we're talking about self-driving cars. BlackBerry's products help protect all of these endpoints, even red-hot segments of the market like crypto and blockchain.

"Malicious actors amassed \$1.4 billion in stolen crypto over the first five months of 2020 alone," I recently [stressed](#). "This problem will only grow as cryptocurrencies like Bitcoin go mainstream. If you believe in decentralized currencies like Bitcoin, you should be bullish on cybersecurity firms that protect the billions of endpoints that become vulnerable due to poor tech or simple user error."

Time to bet on BlackBerry stock?

Stocks like this are how big money is made. Shares could rise 1,000% based on multiple convergence alone. Then add the underlying organic growth to your returns. We're talking a 10, 20, or even a 30 bagger.

The bet is that BlackBerry is about to turn on the jets. It has great products targeting hyper-growth market segments. Once the market gets a whiff of this growth, shares will rise sharply. The only question is whether you will wait for definitive proof.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:CRWD (CrowdStrike)
2. NYSE:BB (BlackBerry)
3. TSX:BB (BlackBerry)

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Author

rvanzo

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