



Is Blackberry the Best Cybersecurity Stock on the TSX?

Description

When this year started, I'd [discussed](#) how Canadians could look to invest in the cyber security space. **Blackberry** ([TSX:BB](#))([NYSE:BB](#)) was toppled from its perch atop the smartphone market in the early 2010s by the emergence of the iPhone and Android alternatives. Over the last decade, Blackberry has transitioned to a software-focused company. Its progress has been very encouraging at times, though there are still burning questions that have negatively impacted the stock. Is this the best cybersecurity stock to snag on the TSX?

This year has been a roller coaster for this top TSX stock

Blackberry's [wild ride](#) in late 2020 and early 2021 started last December. The company announced its collaboration with **Amazon** Web Services to accelerate automobile software innovation with Blackberry IVY. This generated considerable excitement and some analysts saw it as a sign that the Waterloo-based company was primed to step into the big leagues. Indeed, its QNX software is already embedded in over 175 million vehicles around the world.

This late 2020 announcement sparked a run for Blackberry stock. However, it kicked into overdrive in the opening months of 2021. Shares surged to a 52-week high of \$36.00 before quickly retreating in late January. It found itself embroiled in the social media stock frenzy that propelled stocks like **GameStop**, **AMC Entertainment**, and **Nokia**. However, volumes have appeared to normalize in the months since.

Blackberry's volatility may have put off some onlookers to start this year. Should they be optimistic about its prospects in the cyber security sector?

Why Blackberry has work to do in the cybersecurity space

In October 2020, the company unveiled the Blackberry Cyber Suite. This was billed as the industry's first, comprehensive, AI-powered unified endpoint security (UES) solution. The former hardware giant bolstered its AI capabilities with the 2019 acquisition of Cylance. Blackberry has won some promising

private and public contracts in its shift to software, but it still has some heavy lifting to do in this space.

Companies like **Okta** have made major strides in recent months. Meanwhile, **CrowdStrike Holdings** and **Palo Alto Networks** have been able to snag high-level contracts as the demand for digital protection heightens. The cyber security market is geared up for big growth in the years ahead. Of course, there is also intense competition in this sector. Blackberry remains a middling player compared to these heavy hitters.

Should you buy Blackberry stock right now?

The company released its fourth quarter fiscal 2021 results on March 30. It announced that Blackberry QNX had designs wins with 23 of the world's top 25 EV Electric Vehicle OEMs – combined for 68% of the total EV market. Blackberry sold off some of its mobile patents in late 2020, sparking some controversy due to the purchaser. It revealed that hit will continue to pursue the sale of mobile patents in the quarters to come as it drifts further away from its claim to fame.

Blackberry is still on track for strong earnings growth. However, it lags the big dogs in the cybersecurity space. Its value has leveled out after a red-hot start to 2021. This stock is still a [solid stash](#) for the long term.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

Date

2025/09/06

Date Created

2021/04/20

Author

aocallaghan

default watermark