



## Why I'm Still Bullish on BlackBerry Stock Today

### Description

I've been bullish on **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) for quite a while now. Accordingly, it's been difficult to watch the selloff of late, though it's also completely understandable.

After all, BlackBerry stock got intertwined with what I view as an ill-fated short-squeeze attempt. Yes, this stock was heavily shorted, and I also have to agree that I think there's some impressive growth on the horizon. However, a prolonged squeeze is something I view as wishful thinking.

That said, I think the growth catalyst underpinning BlackBerry makes for a strong thesis today. Accordingly, at these levels, I think growth investors might want to consider BlackBerry stock today.

Here's more on why I continue to be [bullish](#) on BlackBerry, despite the blood on the streets.

### Strong value argument to be made with BlackBerry

Indeed, BlackBerry's shares have taken a beating. Shares of the software company have now lost roughly two-thirds of their value since the Reddit-influenced spike earlier this year.

However, I think BlackBerry's popularity (or at least some of it) was for the right reasons.

The company operates in high-growth segments of the tech market. Cybersecurity and software are two places every growth investor wants to be right now. And BlackBerry happens to cross over both.

With revenue growth of 9% projected forward by some analysts, and a price-to-book valuation of only 3.3 times, this stock is trading below its fair value. I'd argue, it's significantly [undervalued](#) right now.

Yes, there are some risks with respect to how the company executes over time. And I'll get to those. However, I think the company's underlying valuation doesn't really make sense. This goes double for investors looking at where similar peers are trading at today in terms of valuation.

## Long-term growth prospects are still promising

I think BlackBerry's core software portfolio is undervalued right now. However, I'm not the only one who thinks this.

The company's key partner in developing BlackBerry IVY — **Amazon** — seems to agree. Indeed, Amazon is a company laser-focused on generation long-term cash flow growth. This partnership should stand as a testament to the quality of BlackBerry's underlying product portfolio.

Additionally, I think BlackBerry's focus on providing these products with a cybersecurity focus is key. I think cybersecurity is among the most undervalued growth segments out there today. Spending just hasn't caught up to existing demand (never mind future demand spikes likely to come as hacking picks up steam over time).

The company continues to make transformational acquisitions, such as its Cylance deal in 2019. Artificial intelligence is a big deal, and BlackBerry is a sleeper pick in this sector as well.

Accordingly, long-term growth investors have a lot to like about BlackBerry.

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