



## Forget Dogecoin: Buy This Growth Play Instead

### Description

Cryptocurrencies have been making a tremendous amount of noise in financial markets of late. Indeed, the [returns](#) that cryptocurrencies like Dogecoin have provided have eclipsed even the most incredible growth stocks.

That said, trees don't grow to the sky. Eventually, even the most insane momentum in a given asset class slows or comes to an end. For those looking to diversify some exposure away from high-risk crypto options like Dogecoin to equities, here's one great option: **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)).

### Volatility the key problem for crypto

Dogecoin and its crypto peers are highly volatile investments.

Indeed, that hot take ought to be pretty obvious to the average person. Dogecoin's wild daily swings are evidence of the power retail investor sentiment has on assets.

Such volatility was seen with BlackBerry not that long ago. An ill-fated short-squeeze attempt on the Canadian software company has been met with a sharp sell-off. Shares of BlackBerry are now trading near levels they started the year at.

Accordingly, my view is that both assets have been artificially inflated by insane retail investor sentiment of late. However, BlackBerry shares have come back down to earth. Dogecoin's decline may only just be getting started, if the meme stock fade we've seen take hold in markets is any indication.

BlackBerry's implied volatility today is much improved over what we saw earlier this year. For those seeking incredible growth potential with lower volatility, BlackBerry may be the better option right now. This is a stock that may have lost its meme stock status. However, it's got some actual fundamentals to back up its valuation. And that's what I like.

## Fundamentals and growth potential support valuation

Unlike crypto options like Dogecoin, BlackBerry's valuation is more than a function of investor sentiment.

The software company has real revenue streams and provides cash flows to investors. The company's recent deal with **Amazon** to develop the company's IVY platform based on BlackBerry's proprietary QNX platform is enticing. If this deal materializes into long-term growth as many investors expect, BlackBerry shares could indeed be undervalued here.

Yes, a lot of growth is being priced into BlackBerry stock right now. However, this growth is measurable and identifiable. Outside of retail investor sentiment, I can't see any real fundamental drivers of Dogecoin or its crypto peers right now.

## Bottom line

Those looking for a moon-shot play may have much better odds playing BlackBerry right now.

It's still a hot stock among young investors. And its got some impressive long-term growth potential — that is, if the company can execute.

Relative to its software peers, BlackBerry is trading at a valuation discount. I think a big reason for this is the market pricing in a significant amount of execution risk with this stock. Indeed, I believe this view is warranted.

However, for investors reaching for risk, BlackBerry appears to be enticing at these levels.

### CATEGORY

1. Investing
2. Tech Stocks

### POST TAG

1. growth
2. growth stocks
3. investing
4. market
5. Stocks
6. tech
7. tech stocks
8. technology
9. technology stocks
10. tsx growth stocks
11. tsx tech stocks

### 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
2. Tech Stocks

## **Tags**

1. growth
2. growth stocks
3. investing
4. market
5. Stocks
6. tech
7. tech stocks
8. technology
9. technology stocks
10. tsx growth stocks
11. tsx tech stocks

## **Date**

2025/07/20

## **Date Created**

2021/05/25

## **Author**

chrismacdonald

default watermark

default watermark