



BlackBerry Stock: Why it's Not the Right Time to Book Profits

Description

The shares of **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) are back in the news. In January, its stock rose by 113% after a group of retail traders seemingly pumped its stock by going against institutional short-sellers. However, the stock [shed](#) 28% and 18% of these gains in February and March, respectively. The mention of BlackBerry stock has suddenly increased again in the last few days on some Reddit forums. That's one key reason for its massive stock rise in the last few sessions. But you still may want to continue holding this amazing Canadian tech stock for now; it has the potential to make you super-rich in the long term.

BlackBerry stock and Reddit short squeeze

BlackBerry stock is trading near \$18.64 per share at the time of writing — up about 81% from its May 21st closing price. Critics may point towards the seemingly weak recent trend in its financials and call its recent stock rally completely baseless.

However, I've been recommending a buy on BlackBerry stock for a long time now, as I find its future growth prospects really attractive. Stocks prices usually discount all historical news and data and mainly focus on future growth prospects.

BlackBerry's focus on cybersecurity

BlackBerry is one of a few big tech companies that specialize in enterprise security software and services domain. As more and more businesses are focusing on improving their online presence, the demand for effective cybersecurity solutions is likely to surge.

We can look at some recent incidents to understand the real importance of cybersecurity solutions in the present scenario. Last month, a ransomware cyberattack on the largest American oil pipeline system, the Colonial Pipeline, caused big chaos in the United States. According to a [Bloomberg report](#), Colonial Pipeline had to pay hackers nearly US\$5 million in ransom before restoring the pipeline services. While such incidents might not be very common these days, cybersecurity could become of

paramount importance for businesses in the coming years, I believe.

Technology for electric and autonomous vehicles

Developing the technology for futuristic autonomous and electric cars is another key area where BlackBerry is trying to raise its bets lately. Most large automakers already use its QNX real-time operating system to enhance the functionality of their vehicles. BlackBerry recently expanded its partnership with **Baidu** to gain from the ongoing electric vehicle revolution in China — the world's largest car market.

In addition, BlackBerry is currently developing an integrated vehicle data platform — in partnership with **Amazon** Web Services — to provide more secure and better functionality in futuristic vehicles. I expect the demand for such vehicle data platforms to see a massive rise in the coming years, as more mainstream automakers expand their electric and autonomous vehicle portfolio.

Keep holding BlackBerry stock

These are some of the key factors that could help BlackBerry's business grow at an exponential rate in the coming years. That's why I find its stock worth holding for the long term by ignoring the short-term market noise.

While I recommend long-term investors do not book profit in BlackBerry stock right now, buying it these days could be a bit risky due to its extreme volatility.

CATEGORY

1. Investing
2. 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

Date

2025/10/02

Date Created

2021/06/03

Author

jparashar

default watermark

default watermark