



BlackBerry vs. Dogecoin: How to Make Money From Meme Stocks

Description

2021 has been a crazy year so far. Millennials are betting actual money on memes and even making money from them. It first started with the subreddit WallStreetBets exploiting the short-squeeze trading strategy with meme stocks like **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)), **GameStop**, and **AMC**. Then this meme craze spread to crypto where Elon Musk's Dogecoin memes sent the coin up. Now both meme stocks and Dogecoin are rising.

If you want to make money from memes, you have to let go of the fundamentals and look at the psyche of the Redditors. You have to read between the memes and play the short term.

A word of caution when trading in memes

Now, before I tell you how to make money from memes, a word of caution: do not touch your long-term investments, as they are your backups. Remember, these Redditors are young and have yet to start building their savings. As Warren Buffett puts it, the short-term noise will vanish. Only the ones with a stable foundation will survive the harsh weather and grow stronger.

You can play the meme game, but only with the money you can afford to lose.

How to make money from meme stock BlackBerry

Between May 15 and 24, Dogecoin dipped 40%, as many traders cashed out their money from the meme coin over the silence of Elon Musk. And on May 25, BlackBerry stock began to surge and rose 76% in six days.

In my one-week BlackBerry [prediction](#), I'd stated that the stock would likely surge throughout this week to \$15. It is when it crosses the \$15 mark that caution is necessary. It becomes difficult to predict. Once hedge funds play their bet, the stock could see a steep dip if Robinhood and other broking platforms [interfere like they did last time](#).

On June 2, hedge funds played their bets, sending BlackBerry stock up 31% to as high as \$20. If the January short squeeze is to repeat itself, this is the threshold where the stock will begin to fall. Even if

that is not the case, funds are once again flowing to Dogecoin.

This is the time to take profits. If you own BlackBerry stock, sell it at the current trading price of \$18. Don't get too greedy, or you will miss the opportunity to make money on this squeeze. If you believe the stock will still grow, sell 50% of your BlackBerry holdings at the trading price and set the trade for the other half at a \$20 price.

BlackBerry stock has long-term growth potential, but that doesn't make it a buy at \$18. Once this short squeeze is over, you will get a chance to buy the stock at the dip. Do not buy BlackBerry stock above the \$11 price. Wait for it to fall. After the first short squeeze, BlackBerry stock fell to \$10 in three months.

BlackBerry versus Dogecoin

Just like BlackBerry, if you are considering buying Dogecoin, think again. In the case of BlackBerry, it has a business that generates revenue. The stock has an intrinsic value and the potential to expand in the future. But that is not the case with Dogecoin. It has no intrinsic value, and the day Elon Musk ditches the meme coin, the coin will dip. BlackBerry is a better investment than Dogecoin because of the former's predictability.

Even if you want to invest in Dogecoin, invest less than 3% of your portfolio. Do not tie any financial goals to this 3%. A meme is a joke, and your investment portfolio is no joke but your life savings. If you trade in meme stocks, do so with discipline and without greed. Maintain the traditional path of fundamental investing for the long term.

CATEGORY

1. Investing
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2. NYSE:BB (BlackBerry)
3. NYSE:GME (GameStop Corp.)
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