



Why BlackBerry Stock Is up Over 50% This Past Week

Description

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) is a Waterloo-based technology company that has landed on its feet in the software space after being muscled out of the smartphone space by **Apple** and Android competitors in the late 2000s and early 2010s. Shares of BlackBerry jumped 53% week over week as of close on June 3. The stock is up over 125% in 2021 so far.

Today, I want to discuss why I've been bullish on this Canadian tech darling. Moreover, we'll dive into BlackBerry's recent momentum gain that seems to suggest that the "meme stocks" are not dead in the water. Let's jump in.

Investors need to watch out for a cyber pandemic

In late May, I'd [warned investors](#) of the possibility of a cyber pandemic disrupting domestic and global economies. Recent events have seen ransomware hackers hit a major pipeline in the United States that led to temporary fuel shortages. This past weekend, another hacker group targeted JBS, the world's largest meat supplier. Its systems have just started to come back online by the middle of this week.

BlackBerry has gained a promising foothold in the cyber security space, as it has bolstered its software offerings. However, it has a lot of work to do in order to compete with some of the biggest names in the sector. Last month, the company announced that it was extending its detection and response (XDR) strategy with two new cyber security innovations.

BlackBerry and the meme stocks: Short squeeze 2.0?

Investors were treated to some unique drama in the opening months of 2021 as "meme stocks" captured international attention. Shares of **GameStop** and **AMC Entertainment**, two companies that had struggled mightily in the face of the pandemic, were surging on the back of a [social media-fueled movement](#) to force a short squeeze. BlackBerry was another top stock that was impacted by this frenzy.

Its shares soared to a 52-week high of \$36 in late January before falling back down to earth by the opening days in February. These meme stocks managed to stage a comeback to kick off the month of June. However, AMC warned investors against buying the stock, which sparked a selloff.

Once again, BlackBerry has been caught up in this frenzy. This should not inspire investors to dismiss the Canadian tech company as a “meme” investment. Indeed, the Waterloo-based company holds long-term promise.

Should you buy BlackBerry stock today?

BlackBerry is expected to release its first-quarter fiscal 2022 results towards the end of this month. In fiscal 2021, the company made some impressive strides. It gained huge momentum in December 2020 after it announced a collaboration with **Amazon** Web Services. This collaboration led to the launch of BlackBerry IVY, a revolutionary development in automobile software.

The COVID-19 pandemic led to a pullback in the automobile space. This also impacted BlackBerry. A domestic and global economic rebound should lead to a solid rebound in this sector. Forget about the meme stocks. I’m looking to stash BlackBerry for the long term regardless in early June.

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