



## BlackBerry Stock Is Down 35% From its Recent High: Time to Buy?

### Description

After an unprecedented 2020 ripe with opportunities for investors, 2021 has been much different. While it's generally been more of a normal year, with most equities focused on life after the pandemic, meme-stocks like **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) have seen huge rallies.

Back in January, when **GameStop** first rallied and made headlines worldwide, several other stocks benefitted, including BlackBerry.

These stocks shot up and rallied rapidly for a few trading days before falling almost as fast as they were pumped.

Before this major rally, BlackBerry was a stock I'm sure was on many investors' radars. However, much of BlackBerry's potential is long-term, so it was peculiar to see the stock rally so rapidly for no real reason.

Fast forward to May and the stock had come back down considerably. However, even at its lowest point over the last few months, BlackBerry stock was still trading roughly 45% above where it started the year. Then toward the end of May, BlackBerry and several meme stocks began to rally again.

On June 3, BlackBerry hit an intra-day high of \$24.35. It's since sold off considerably and on Monday closed at \$15.79.

So after the 35% drop in the last few weeks, you may be wondering if BlackBerry stock worth an investment.

## BlackBerry: A top Canadian tech stock

[BlackBerry](#) has always been a top software security company. Even back in the day when its mobile phones were some of the most popular on the market, BlackBerry's bread and butter was security.

So it made sense that as the company transitioned to a predominantly software stock, it focused on its

incredible security.

Software security is quite possibly the most important industry in tech. Every time there's an innovation in technology, and more devices are connected, the security risk goes up.

This gives the industry and BlackBerry significant potential to grow long-term. Specifically, investors and analysts are most bullish about BlackBerry's potential as the self-driving car industry takes off.

So while the company has decent operations today, most expect it to have a longer timeline before reaching success.

So although BlackBerry looks like it could be a promising stock in the long-term, it's not worth it to overpay at these prices.

After coming back down by 35% recently, though, is BlackBerry's stock now trading [undervalued](#)?

## How much is BlackBerry worth today?

How much BlackBerry is worth depends on who you ask. Investors who are buying BlackBerry at these prices clearly think the stock is worth the price.

If you ask the analysts across the board that cover BlackBerry stock, analysts who know the business inside and out, they'll tell you a different story.

As I said before, BlackBerry stock has potential, but much of that is long-term. So in today's environment, many analysts don't think the stock is worth much more than \$11.

Furthermore, it faces its own headwinds today. Chip shortages have been a problem for several [tech stocks](#), as well as auto companies. And that could be a problem for BlackBerry until more chips can hit the market.

Furthermore, analysts are concerned that BlackBerry may not have the scale to compete with larger competitors and has yet to prove it can grow organically as a predominantly software business.

So, for now, I'd be putting BlackBerry stock on a watch list. It's a company that could have major potential in the years to come. At the moment, though, it's just too overpriced.

Instead, I'd be looking to find high-quality Canadian growth stocks, especially ones you can buy cheap.

### CATEGORY

1. Investing
2. Stocks for Beginners
3. 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. Stocks for Beginners
3. Tech Stocks

## **Date**

2025/08/25

## **Date Created**

2021/06/22

## **Author**

danieldacosta

default watermark

default watermark