



1 Dividend All-Star Is a Better Buy Than BlackBerry (TSX:BB)

Description

Meme investing became a trend among retail investors in 2021. Canadian tech firm **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) benefited somehow, although the [growth stock](#) didn't explode like **AMC Entertainment** and **GameStop**. Nevertheless, the stock's performance this year is commendable.

BlackBerry's gain so far in 2021 is 44.91%. Also, the current share price of \$12.23 is 92.6% higher than a year ago. However, a piece of bad news could hurt the stock. Meanwhile, **Magna International** ([TSX:MG](#))([NYSE:MGA](#)), a [dividend all-star](#), could steal the limelight from the security software company.

Unsettling news

A news item from Aljazeera said cars and medical equipment are at risk because of a cybersecurity flaw in a BlackBerry-designed software. Top car manufacturers **Ford**, BMW, and Volkswagen install the Canadian firm's QNX Real-Time Operating System (QNX RTOS) in their cars.

BlackBerry said only the software's version from 2012 or earlier is vulnerable to crashes or paralysis caused by the system attackers. The U.S. Cybersecurity and Infrastructure Security Agency (CISA) now warns of malicious parties gaining control of highly sensitive systems.

Since the software is widely used in various products, CISA said it increases the risk to the country's critical functions once the system is compromised. BlackBerry had initially denied that BadAlloc (the vulnerability) affected its products. The company said potential customers that have been affected were notified already. BlackBerry also made software patches to rectify the problem.

On August 17, 2020, BlackBerry's public advisory read, "The safety and security of our customers and the public is our top priority." It also identified an integer overflow issue with multiple Real-Time Operating Systems (RTOS) from multiple vendors, including older versions of the QNX RTOS.

CISA's alert warning is on, because the agency believes the issue is more urgent given the widespread deployment of QNX in critical infrastructure. We can't say how this issue will affect BlackBerry's credibility, especially since the company is in turnaround mode.

Long-term deals

Magna International is a global automotive supplier that delivers new mobility solutions and technology. The \$31.34 billion company from Aurora promotes mobility technology for the future. It also holds the distinction of being the only auto supplier to build complete vehicles.

Management boasts that Magna's products are on most vehicles today and used in 347 manufacturing operations. The reach is global, with sales centres in 28 countries. Growth is on the horizon following a manufacturing deals or joint venture. In June 2021, Magna and **Fisker Automotive**, creator of the world's most sustainable electric vehicles, signed a long-term manufacturing agreement.

Magna will build Fisker's Ocean SUV that will be commercially available in November 2022. On July 28, 2021, Magna (49%) and LG Electronics (51%) signed a transaction agreement to form LG Magna e-Powertrain. The joint venture will manufacture e-motors, inverters, and electric-drive systems.

The auto parts company is a [dividend all-star](#), with 11 consecutive years of annual dividend increases. At \$104.37 per share, the dividend yield is 2.07%. For the last 44.55 years, Magna's total return is 26,770.96% (13.38% CAGR).

Better choice

The price disparity between Magna and BlackBerry is wide. However, the recent news could impact the tech stock's future growth. Magna has firmed up long-term deals that should drive growth further. It's safe to assume that the dividend all-star is the better investment choice today.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. NYSE:MGA (Magna International Inc.)
3. TSX:BB (BlackBerry)
4. TSX:MG (Magna International Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. cliew
2. kduncombe

Category

1. Dividend Stocks
2. Investing
3. Tech Stocks

Date

2025/08/18

Date Created

2021/08/21

Author

cliew

default watermark

default watermark