



BlackBerry (TSX:BB) Stock Could Be Poised to Explode Again

Description

The shares of **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) once again turned positive in August after diving 16.2% in July. In August, the stock inched up by more than 13% against nearly 1.5% gains in the **TSX Composite Index**. In this article, I'll highlight some of the key reasons why I find BlackBerry one of the best [Canadian tech stocks](#) to buy right now that could be poised to explode again.

BlackBerry stock's roller-coaster ride

BlackBerry's share price has been highly volatile in 2021, as its popularity on the infamous subreddit called WallStreetBets skyrocketed. This Reddit trading mania could be one of the reasons why BB stock posted outstanding gains of 113% in January 2021.

But the stock lost a major portion of these gains in the next couple of months, as it ended the first quarter with just a 25% increase. Nonetheless, Reddit traders seemingly became active again later in the June quarter — triggering another buying spree that took its stock up by about 44% in the second quarter. Despite its solid gains in August, BlackBerry stock is still trading with 5% in the third quarter so far.

Focus on massive growth drivers

BlackBerry stock has been on my radar for over a year now, as I've found its recent efforts to gain from the upcoming automotive industry trends really interesting. In the last couple of years, the company has tried to expand its offerings for automakers who are racing to electrify their vehicles to better compete with fast-growing auto companies like **Tesla** and **NIO**.

Nearly 200 million vehicles across the globe today use BlackBerry's widely popular QNX operating system (OS). The consistently growing popularity of its QNX platform has also helped it [achieve](#) design wins with about 23 of the world's top 25 electric carmakers.

With its increasing focus on emerging automotive industry trends, BB joined hands with **Amazon** Web

Services last year to build an intelligent vehicle data platform. This data platform called IVY would be capable of reading vehicle sensor data and process it with advanced machine learning techniques to create actionable insights for automakers.

Similarly, BlackBerry earlier this year expanded its partnership with the Chinese tech giant **Baidu**. This partnership would allow Baidu's high-definition maps to run on QNX Neutrino OS and be used in upcoming mass-produced electric vehicles in China.

Why BB stock could explode again

Despite all the roller-coaster ride it has seen this year so far, BlackBerry's stock price is still hovering around \$14.12 per share with about 70.5% year-to-date gains. I expect the company's increasing focus on emerging automotive trends to be a major growth driver in the long term, which has largely been ignored by most experts lately.

Its efforts in this direction could get more attention in the coming quarters — especially during its earnings events. BB is likely to hold its fiscal Q2 2022 earnings event in the second half of September. Investors' high expectations from its upcoming earnings event could act as a catalyst and drive another big rally in its stock soon — even if Reddit traders remain silent this time.

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