



BlackBerry Stock: A Speculative Growth Play Worth Considering

Description

In the world of speculative [growth stocks](#), **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) certainly remains an intriguing choice. This meme stock has seen some rather violent moves this year. Heightened volatility due to retail investor interest in BlackBerry stock has provided investors with impressive [year-to-date returns](#).

However, questions have begun circling around BlackBerry stock. Indeed, the key question many investors have is just how far detached the company's fundamentals and its valuation are right now. There's certainly a fundamental growth thesis with this stock. However, it appears the rather incredible moves in BlackBerry stock of late are not the result of improved performance. Rather, investors seem to be speculating on the next potential surge.

Given the Foolish investors we are, let's look at a couple reasons why BlackBerry's current valuation may be able to hold water.

Technology the focus for investors in BlackBerry stock

Having transitioned from a hardware-focused smartphone maker to a pure-play software company, BlackBerry stock has not seen the interest many investors had hoped prior to this year. Indeed, BlackBerry's transition has been far from smooth. And patient investors waiting for a reason to buy BlackBerry stock seem to have been quieted by a deafening indifference shown to this stock by the market.

That said, BlackBerry's core suite of technology products is impressive. The company's core QNX platform remains a winner in the world of automobile manufacturing. This software is currently used by most major auto makers due in part to the company's focus on cybersecurity.

Additionally, BlackBerry is currently developing its Ivy software, in partnership with **Amazon**. The hope many investors have is that BlackBerry will achieve greater market share in the autonomous and connected vehicle markets. These are certainly exciting technologies that seem to not have caught on with the mainstream investor yet.

Strong management team

BlackBerry CEO John Chen has certainly orchestrated an impressive turnaround effort. Indeed, on some metrics, what Mr. Chen has done with what he has to work with is incredible.

Indeed, some of the recent acquisitions and moves the company has made to bolster its cybersecurity and software focus are impressive. I think BlackBerry remains on the right track to continue to transform its business to a true SaaS model. However, I also expect some near-term turbulence, as the company continues to see declines in its traditional licensing and hardware businesses.

Bottom line

In my view, BlackBerry stock is one that investors can certainly make a strong growth case for. Certainly, there's a lot more work that needs to be done with this company. However, I'm a believer in the company's current management team.

For now, I expect a tremendous amount of near-term volatility with BlackBerry stock. These meme rallies may come and go. However, the long-term growth story with BlackBerry stock remains strong. That's why I remain bullish on this stock right now.

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Date

2025/09/08

Date Created

2021/09/06

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