



BUY ALERT! BlackBerry Stock Could Skyrocket This Week

Description

After struggling for several weeks, **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) stock has shown a handsome recovery in the last couple of weeks. While [BB stock rose](#) by about 11% in the week ended on March 18, it extended these gains by another 5% last week. Despite these sharp gains in recent weeks, its share prices are still down by 19% on a year-to-date basis. Given that, it might still not be too late for investors to consider buying BlackBerry stock, as its recent gains could just be the start of a big long-term rally.

In this article, I'll explain why I expect BB stock's ongoing recovery to accelerate this week.

Could BlackBerry stock price skyrocket this week?

BlackBerry is set to release the results for its fourth quarter of its fiscal year 2022 later this week. Street analysts expect the Waterloo-based tech firm to report US\$188.9 million in total revenue — up 3% sequentially but down more than 12% on a year-over-year basis. According to the latest estimates, BlackBerry might report an adjusted net loss of around US\$0.04 per share in the February 2022 quarter against its adjusted earnings of US\$0.03 per share in the February 2021 quarter.

While the recent growth trends in BlackBerry's financials don't look too impressive, I still find analysts' estimates for its upcoming quarterly results quite conservative. It's important to note that the negotiations regarding the sale of its IP patent portfolio's non-core portion have been hurting its sales growth in the last few quarters. As this negotiation process has already [concluded](#) in January, the company is likely to concentrate more on improving its overall revenue growth in the coming quarters.

One key factor that could help BlackBerry beat analysts' estimates is surging demand for its enterprise cybersecurity offerings in the post-pandemic world. During the pandemic phase, a large number of businesses build their online presence. To keep their data safe and secure from online threats, such businesses are willing to increase their spending on cybersecurity tools, driving the demand. Given that, BlackBerry's latest quarterly results could exceed analysts' expectations, which could lead to a sharp rally in this seemingly undervalued stock later this week.

BB stock's improving long-term outlook

While the cybersecurity business has been BlackBerry's main focus for several years, its presence in the automotive technology segment is also increasing. Roughly about 200 million vehicles across the world use its QNX operating system. The company is now striving to benefit from emerging trends in the automotive industry by developing advanced machine learning and artificial intelligence-based technological solutions for futuristic vehicles.

A great example of its efforts in this direction is the BlackBerry IVY platform — an intelligent vehicle data platform. The platform would allow automakers to access real-time vehicle sensor data and utilize it to offer better features and functionalities in their vehicles. Such technological solutions could play a very important role in electric and autonomous vehicles. This factor could accelerate its financial growth exponentially and should lead to a spectacular rally in BB stock.

Despite all these positive factors, BlackBerry stock hasn't seen much appreciation in recent years. For example, it has dived by nearly 30% in the last three years, making it look really cheap to buy for the long term.

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