

Research In Motion shares climb (Update)

November 23 2012, by Charmaine Noronha

Shares of Research in Motion Ltd. Jumped nearly 14 percent Friday as investors seemingly grew more optimistic about a February launch of the Canadian company's much-delayed BlackBerry 10 smartphones.

RIM will release the latest version of its smartphone "not too long" after a Jan. 30 launch event, Kristian Tear, the company's chief operating officer, has said.

The new phones are seen as critical to RIM's survival as the smartphone pioneer struggles in North America to hold on to customers who are abandoning BlackBerrys for flashier iPhones and Android phones.

The Waterloo, Ontario, company seems to be preparing for a February global launch, a month earlier than many analysts were expecting, according to an analyst with National Bank Financial, a Canadian bank. Kris Thompson raised his shipments forecast for RIM for fiscal 2014 in a research note from Wednesday.

Thompson also increased his price target for the BlackBerry maker to \$15 from \$12.

RIM shares on the Nasdaq closed up \$1.41, or nearly 14 percent, to \$11.67 Friday in an abbreviated trading session on Wall Street.

The spike in the BlackBerry maker's shares came after a week of steady gains amid more positive sentiment.

On Wednesday, shares in Research In Motion gained almost 5 percent on the Toronto Stock Exchange even though it was reported that the U.S. National Transportation Safety Board had dropped the BlackBerry maker in favor of Apple's iPhone 5.

Thompson, the National Bank Financial analyst, was bolstered by RIM's new management team, which he said is maintaining the BlackBerry smartphone subscriber base, managing costs and cash, and seemingly readying a February 2013 BB10 global product release, a month earlier than expected.

He said certification of the new BlackBerrys by wireless carriers is the key risk to his prediction and estimate of BlackBerry shipments. Carrier certification, which tests the new devices, can take time.

The new BlackBerry 10 system is designed for the touch screen, Internet browsing and apps experience that customers now expect. RIM's current software is still focused on email and messaging and is less user-friendly, agile and robust than iPhone or Android.

Earlier this week, a prominent tech analyst gave RIM's new operating system a small but improved chance of success. Analyst Peter Misek of New York-based Jefferies & Company said he's still giving the BlackBerry 10 operating system only a 20 to 30 percent probability of success.

RIM was once Canada's most valuable company with a market value of more than \$80 billion in 2008, but the stock has plummeted since, from over \$140 per share. Its decline evokes memories of Nortel, another former Canadian tech giant, which declared bankruptcy in 2009.

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