



## GameStop Frenzy: 2 TSX Stocks That Saw Massive Swings Last Week

### Description

The last week undoubtedly belonged to the **GameStop** stock. Its spooky price swings, which added another 200% last week, baffled even the market veterans. While markets on average see implied volatility of around 10%-15%, GameStop stock's implied volatility jumped beyond 500% last week. Retail traders on the social media platform Reddit were mainly behind such an abrupt rise of the stock.

Some **TSX** stocks also joined the frenzy and witnessed higher volatility last week. It's too soon to tell whether they are the next GameStop. But one thing is for sure that investors should not get carried away with the so-called rally. They should do their own due diligence and trade cautiously with these volatile names.

### BlackBerry stock and the recent trading fervour

Here in Canada, tech stock **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) became the target of traders' fervor. The stock gained almost 65% during the first half of last week while it lost 45% of it till the end of the week. Such volatility is highly unusual in BB stock.

Some amateur investors are exploiting the trading anomaly called a [short squeeze](#), which is behind this rise. Notably, BB stock is up almost 110%, while GameStop stock is up more than 1,600% this year.

However, investors should note that BB stock looks substantially overvalued and could see a significant pullback in the short term. Even the company [clarified](#) last week that it has nothing to do with the stock's recent surge. Such trading anomalies generally last for a short time and gradually wane. In BlackBerry's case, the stock could revert to its mean once the volatility and short squeeze subside.

### Top TSX stocks that showed immense volatility

**Facedrive** (TSXV:FD) is another stock that saw terrible swings last week. It's not certain that the

anomaly that lifted GameStop and BlackBerry has also been behind Facedrive's surge. FD stock rose 40% early last week but dropped almost 30% by Friday.

Facedrive stock has witnessed a meteoric rise in the last few years. After gaining more than 500% in 2020, FD stock has almost doubled this year. It is mainly a ridesharing company that offers EVs and hybrids to its riders. It also has operations in the health, food delivery, and car leasing businesses.

Facedrive is now a company with a whopping \$2.5 billion market valuation after its recent surge. What's mind-boggling here is that this \$2.5 billion Canadian ride-hailer does not generate even a million-dollar in revenues annually. Thus, market participants seem to have gone too far too soon with respect to the Facedrive stock.

After GameStop and BlackBerry, this trading fervour is now expected to take on silver. Several social media platforms, including Reddit, have urged small investors to buy the metal. Interestingly, silver has gone up more than 20% since last week, influencing some Canadian silver miner stocks as well. **Pan American Silver** and **Silvercorp Metals** stocks have soared around 15% each last week.

## The Foolish takeaway

As earlier stated, investors must trade with utmost caution in such volatile times. These trading movements are risky and might go against one's bets. On the other hand, we Fools focus the company fundamentals and long-term investment horizon. It's important to focus on the long-term performance and overlook the short-term noise.

### CATEGORY

1. Investing
2. Stocks for Beginners
3. Tech Stocks

### TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)
3. TSXV:STER (Facedrive Inc.)

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**Author**

vinitkularni20

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