



1 TSX Stock You Need to Buy This Summer

Description

Canada made waves around the world with its move to legalize recreational cannabis after the election of Justin Trudeau and his Liberals to a federal majority. However, Canada lagged the United States in another legalization push. This is another multi-billion-dollar industry that could potentially be a game changer for investors going forward. Today, I want to look at one TSX stock that is poised to benefit in a [big way](#) from a recent legislative milestone. Let's jump in.

Canadian gamblers scored a big legislative win this year

The United States Supreme Court moved to strike down a federal ban on sports betting back in May 2018. At the time, I'd discussed why this opened the highly lucrative industry and was [well worth](#) investors' attention. In June, the Canadian Parliament passed Bill C-218. This bill permits each province to approve single-game sports betting. In the past, Canadians could only bet on sporting events through multi-leg parlays.

Kevin Waugh introduced the bill to the House of Commons. He noted in a debate that sports betting is a \$14.5 billion industry in Canada that is almost entirely conducted through offshore sites and unregulated bookmakers. Indeed, the Canadian Gaming Association (CGA) estimated that only \$500 million is wagered through legal sports lottery products. That is a lot of potential tax revenue the government is missing out on. Clearly, they took notice.

The Ontario government said that it will create a new entity to manage online gaming. It expects to launch this new entity by the end of this calendar year.

Here's why this TSX stock is perfectly positioned to benefit

Score Media (TSX:SCR)(NASDAQ:SCR) is a Toronto-based company that operates sports media across North America. Recently, it has made a concerted push into the sports betting space. It already boasts the most popular sports mobile applications on the domestic front. Shares of this TSX stock have climbed 37% in 2021 as of close on July 8. The stock is up over 200% year over year.

The company's management was public about its excitement over the progress of Bill C-218. However, there will be stiff competition in the Canadian sports betting space. **Draftkings** and FanDuel already have their eyes on the multi-billion-dollar market. Score Media will aim to leverage its home field advantage and its foothold with Canadian mobile users.

In Q2 fiscal 2021, Score Media reported 491% growth in its gaming handle on theScore Bet. It reached a record \$81.6 million in that quarter. Meanwhile, its entrance into Iowa grew its base of live U.S. sports betting states to four. This is a company that now has solid experience in a sports betting rollout.

Should you buy Score Media today?

In late May, I'd [discussed](#) why I was looking to buy the dip in Score Media stock. The TSX stock enjoyed a solid rebound into the middle of June but has since lost some momentum. Shares are down 9.3% month over month at the time of this writing. Score Media stock last had an RSI of 40 and is trending towards technically oversold territory. It is well worth monitoring right now.

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aocallaghan

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