



## Forget AMC and GameStop: Buy These TSX Stocks Instead

### Description

Reddit stocks like **GameStop** ([NYSE:GME](#)), **AMC Entertainment** ([NYSE:AMC](#)), and others surged in early June after suffering for most of the spring season. However, this momentum would not last. Today, I want to discuss what sparked this surge. Moreover, I want to look at two TSX stocks that I'd snatch up over either of these "meme stocks."

### What's happening with Reddit stocks today

GameStop stock has dropped 20% month over month as of early afternoon trading on July 29. The stock has plunged 48% over the past six months. What started as an attempted short squeeze has evolved into genuine hype, as the company has rearranged its leadership. It aims to leverage the inflated stock price to finance a thrust into the e-commerce space.

AMC Entertainment's rise made more sense in early June. Its stock has fallen 30% over the past month. However, its shares are up 194% over a six-month stretch. Cinemas have broadly reopened in the United States over the past six months. This has put the cinema giant back on track in what has been a brutal period since the start of the pandemic.

I've got my eyes on two TSX stocks that operate in these spaces.

### Here's why Cineplex is on the comeback trail

**Cineplex** ([TSX:CGX](#)) is the largest movie theatre operator in Canada. Earlier this week, I'd [discussed](#) whether investors should look to buy or sell the stock. Its shares have climbed 55% in 2021 at the time of this writing. The TSX stock is down 8.6% month over month.

Ontario, Canada's most populous province, recently allowed the reopening of indoor cinemas. This is a big step forward for an industry that is starving for revenue generation. Now, Cineplex is wellpositioned to benefit from a summer movie rebound. Investors will get a glimpse of its early results in this environment when the company unveils its second-quarter 2021 results in the middle of August.

Before the pandemic, Cineplex was reeling from declining cinema traffic and the rise of streaming services. It discontinued its monthly dividend early in 2020. This company still has a lot to prove in the months ahead.

## I'd buy this video game TSX stock over GameStop

GameStop's rise drew justifiable skepticism, as traditional retailers only saw their situation worsen during the pandemic. However, investors should look to [get in on](#) the video game space. **Enthusiast Gaming (TSX:EGLX)**(NASDAQ:EGLX) is a Toronto-based company engaged in the media, content, entertainment, and esports businesses around the world. This TSX stock has climbed 49% in the year-to-date period. However, the stock is down 9.7% month over month.

Investors can expect to see the company's second-quarter 2021 results on August 10. In Q1 2021, Enthusiast delivered revenue growth of 321% from the prior year. Meanwhile, paid subscribers rose 49% to 137,000 paid subscribers as at March 31, 2021. Gross profit increased 80% to \$5.9 million.

The esports market is geared up for huge growth over the next decade. This media company is well positioned to benefit from this trend. Canadian investors should consider snatching up this TSX stock on the dip.

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2. NYSE:GME (GameStop Corp.)
3. OTC:EGLX.F (Enthusiast Gaming)
4. TSX:CGX (Cineplex Inc.)
5. TSX:EGLX (Enthusiast Gaming Holdings Inc.)

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