



## 1 Top Video Game TSX Stock to Buy Today

### Description

Early 2020 seems like a lifetime ago. However, there is still some conventional wisdom from that time that we can take to heart right now. In January 2020, I'd [suggested](#) that investors should get in on the video game space. Today, I want to look at some of the broader trends in this red-hot market. Moreover, I will look at a top TSX stock to snatch up, which is well positioned to benefit from these trends.

### Why you need to invest in video games this decade

The COVID-19 pandemic drove millions to spend most of their leisure time in their homes. This was good news for industries that thrived on home entertainment offerings. Streaming services and video games saw increased usage during this crisis.

This industry experienced significant growth in 2020. However, the market is expected to contract marginally when 2021 is all said and done. This speaks more to the banner year it had in 2020 rather than any significant downturn this year. Meanwhile, the video game industry is positioned to continue its strong growth as the decade goes on. Grand View Research recently projected that the global market would deliver a CAGR of 12.9% from 2020 through to 2027.

The TSX stock we'll zero in on in this article boasts exposure to the burgeoning esports industry. Esports are multiplayer video game competitions that typically take place between professional players. These competitions have burst onto the mainstream in recent years, and esports are starting to attract a strong and steady audience. The esports audience is expected to balloon to close to 600 million by 2022. Investors need to take note.

### One top TSX stock to watch in this space

Back in July, I'd [discussed](#) why investors should forget about the **GameStop** hype and focus on **Enthusiast Gaming (TSX:EGLX)**(NASDAQ:EGLX) instead. The company is engaged in the media, content, entertainment, and esports businesses around the world. Shares of this TSX stock have [climbed 41%](#)

in 2021 as of close on July 30. However, the stock has dropped 16% month over month.

Investors can expect to see its second-quarter 2021 results on August 10. In Q1 2021, Enthusiast delivered revenue growth of 321% compared to the previous year. Meanwhile, gross profit jumped 80% to \$5.9 million. It reported direct advertising sales of \$2.2 million — up big from a mere \$60 thousand in the first quarter of 2020. Enthusiast also achieved 9.9 billion total views across written and video content.

The company made some promising strides over the past year. It was one of only two gaming properties to be ranked as a Top 100 Internet Property in the United States by **Comscore**. It was only beaten out by **Amazon's** TWITCH.TV, the gaming streaming giant. Enthusiast also announced partnerships with TikTok and Samsung, which should boost its exposure going forward.

This TSX stock saw massive growth from late 2020 through to the spring of 2021. It is well positioned to grow in this market. I'm looking to snatch up this TSX stock on the dip today.

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aocallaghan

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