



2 Gaming Stocks Under \$20 That Just Went on Sale

Description

Canadian gaming stocks are a great buy for venturesome investors looking to take their [growth](#) to the next level (no pun intended!). In this piece, we'll have a look at two **TSX**-traded companies gaming companies that are very different ways to game consumers' demand to play.

Without further ado, consider the following:

Enthusiast Gaming Holdings: A Canadian eSports star to stash on your radar

Gaming is a fast-growing industry that's attracting more than just the hardcore gamers that own specced-out PCs with top-of-the-line hardware. Many casual folks are embracing the form of entertainment via all forms of media. Whether we're talking mobile, console, computer, or the cloud, it's clear that gaming may very well be the next frontier of entertainment for all age groups.

That's a major reason why big tech and various other non-traditional gaming companies like **Netflix** are pushing their way into the industry.

Undoubtedly, it's not just the pure-play video game developers or platform designers that stand to benefit. There are many ways to play the trend. In the case of **Enthusiast Gaming Holdings** ([TSX:EGLX](#))(NASDAQ:EGLX), it's through solid journalism and eSports.

Gamers, like stock investors, need to stay in the know on all the latest in gaming. New games, reviews, and the latest in eSports are a big part of the gaming world. And as the population of gamers grows, so too will the audience of gaming media like Destructoid and Escapist Magazine, two well-known banners under the Enthusiast Gaming umbrella.

The company quietly graduated to the TSX Index from the **TSX Venture Exchange** at the start of last year. More recently, shares of the gaming media site launched on U.S. exchanges. As an intriguing way to play the growth of an industry, I'd argue that the mere \$790 million company is a name to keep

on your radar.

But be warned: [volatility](#) is to be expected from the name. The stock recently got cut nearly in half from peak to trough. So, understand the risks and don't invest what you're not willing to lose in the under-\$20 small-cap stock.

Score Media and Gaming

Score Media and Gaming (TSX:SCR)(NASDAQ:SCR) is a play on sports betting in Canada. With the legalization of single-game sports betting underway, Canadians will have a chance to game on their favourite games. In a way, it's a way to invest in gaming on gaming.

Undoubtedly, eSports may also represent a new leg of growth for the company in the distant future. But in the meantime, it will be all about betting on traditional sports such as hockey. Like Enthusiast, Score Media stock has been wildly volatile of late. The stock peaked out back in early 2021 only to come crashing back to Earth, shedding over 70% of its value from peak to trough.

Incredible growth prospects, but if you're not comfortable with double-digit percentage moves on a weekly basis, you'll probably only stand to lose money in the name. As such, only the most venturesome and fearless of investors should proceed in a name that may prove to be a compelling buy after its devastating plunge.

Bottom line

There you have it. Two Canadian gaming stocks that are fresh off nasty declines. Both small-cap stocks could evolve to become major multi-baggers over the long haul. But until then, investors will need to grapple with extreme levels of volatility.

Personally, I'd be more willing to place a bet (again, no pun intended!) on Score Media stock, as it seems to have a good shot to dominate the emerging sports-betting market over the next few years.

CATEGORY

1. Investing

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1. OTC:EGLX.F (Enthusiast Gaming)
2. TSX:EGLX (Enthusiast Gaming Holdings Inc.)

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