



AMC Entertainment (NYSE:AMC) Stock: Smart Money Goes All-In!

Description

AMC Entertainment Holdings ([NYSE:AMC](#)) bears are eating crow once again. Over the past month, AMC has rallied 33.89%, closing at US\$47.13 Tuesday. As of this writing, it was up another \$0.29 (0.62%) after hours.

It's quite a sight to behold. AMC's army of retail investors is once again on the winning side of its favourite trade — defying all the naysayers. Year to date, AMC is up some 2,200%, and it shows no sign of slowing down. The question is, what's behind all these gains, and can they continue?

Institutional investors jump in

By now you know the story. AMC has an army of retail investors backing it, going long and waiting for the inevitable short squeeze. The army remains in formation, as the flurry of activity on communities like Reddit's r/amcstock proves beyond a shadow of a doubt. Retail investors are still buying up AMC in droves, and that has definitely contributed to the stock's meteoric rise.

But now, a new group of investors are getting in on the action: *institutional investors*.

Otherwise known as "Smart Money," these Wall Street insiders include asset managers, hedge funds, and pension funds. Their moves are closely watched by market prognosticators, as they're considered to have access to information regular investors don't have. Also, they buy in multi-million-dollar lots, which can easily influence share price.

Who's buying AMC?

According to a [data from CNN Business](#), the following "Smart Money" investors have been buying AMC stock:

- **BlackRock** — world's largest asset manager — increased stake by 8.81% in June.
- **Vanguard Group** — another giant asset manager — increased stake by 18.14% in June.

- **Northern Trust** — a diversified financial services company — increased stake by 15.12% in June.

It should be noted that *CNN's* description of AMC insider buying says “*in the quarter ended June 2019.*” That may indicate that this info is out of date, but I’m inclined to think it’s a typo. The list of transactions further down the page shows purchases from the exact same companies in 2021 — and *all* of the three most recent purchases were large buys.

Canadian stocks that could get the “meme stock” treatment

If you’re a Canadian investor, you might be wondering whether any Canadian stocks could get the “meme stock” treatment and rally like AMC has. Sure, you can go out and buy the NYSE-listed AMC stock, but there’s a kind of patriotic pride that can come from seeing your home country’s stocks beat the competition.

So, do any Canadian stocks meet the criteria for meme status?

Cineplex ([TSX:CGX](#)) is one obvious contender. It’s pretty much in the exact same boat as AMC: it’s a movie theatre whose entire business collapsed in 2020 with lockdowns and is now in the process of recovering. It also has very high short interest, so it could be a candidate for a squeeze play. However, Reddit doesn’t seem to really care about the stock, so it’s out for the time being.

Next we have **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)). This Canadian company *is* a Reddit favourite and tends to rally in tandem with AMC and other meme stocks. In the past month, it has risen 13% — not quite as exciting a gain as AMC’s, but a worthy result for any normal stock.

And indeed, BlackBerry has loads of potential. As a maker of software for electric vehicles, it’s well positioned in the car software industry, which is growing at a steady clip. Its QNX software is already installed on 175 million cars, and, just recently, it inked a deal with **WM Motor** to supply software to its electric vehicles. Does any of this mean that BlackBerry is the “next AMC?” Hardly. But it’s definitely a promising stock worth researching.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

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2. NYSE:BB (BlackBerry)
3. TSX:BB (BlackBerry)
4. TSX:CGX (Cineplex Inc.)

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