



## Why Nuvei Stock Price Jumped Over 10% Thursday

### Description

### What happened?

**Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) stock continues to recover sharply after [crashing](#) by 40% yesterday. At the time of writing, NVEI stock was trading at \$82.15 per share with more than 12.4% gains for the day. However, despite today's sharp recovery, its share prices were down more than 30% from Tuesday's closing level due to yesterday's panic selloff.

### So what?

New York-based [short-seller](#), Spruce Point Capital Management, released its critical report on Nuvei yesterday, suggesting a downside risk between 40% to 60%. In my opinion, even Spruce Point might not have expected that NVEI stock would crash as much as 55% within a few hours of the release of its report. But that's exactly what happened, as the stock plunged to its lowest level in more than a year during yesterday's intraday trading — before erasing some of these losses by the end of the day.

After the market closing bell on Wednesday, Nuvei tried to refute these allegations in a press release [saying](#) that the short report “is intentionally misleading and draws inaccurate conclusions.” The company added that “the personal attacks on Nuvei executives made by the short-seller appear to have been made to distract from the company's achievements and progress.” It urged “investors to not make decisions based on the short-seller report” and look at its recent filings instead.

With this, Nuvei reaffirmed its short-term as well as medium-term financial growth outlook, which seemingly is helping it regain investors' confidence and driving its stock higher on Thursday.

### Now what?

As I said in [yesterday's article](#), Nuvei stock is very likely to remain highly volatile, at least for a few sessions after the short report release. This was one of the reasons I suggested to avoid buying it at

the moment, as its extreme volatility could increase the risk profile of your portfolio. Especially if you are an investor with a limited risk appetite, you may want to wait for the volatility to settle down a bit.

That said, I still don't think that Spruce Point's critical report on Nuvei, in any way, manages to prove it as a bad investment or affects its long-term growth outlook.

## CATEGORY

1. Investing
2. Tech Stocks

## TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. TSX:NVEI (Nuvei Corporation)

## PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

## PP NOTIFY USER

1. jparashar
2. kduncombe

## Category

1. Investing
2. Tech Stocks

## Date

2025/07/07

## Date Created

2021/12/09

## Author

jparashar

default watermark

default watermark