



Why Voyager Stock Climbed 10% on Thursday

Description

Voyager Digital ([TSX:VOYG](#)) regained some of its [losses](#) from the past few weeks after management announced it would cancel its Automatic Securities Disposition (ASD) plan. Voyager stock climbed 10% after the news.

What happened?

Management announced Voyager stock would no longer go through with the ASD plan, announced on Dec. 31. The plan aimed to allow trades for Chief Executive Officer and Director Stephen Ehrlich and Chief Operating Officer Gerard Hanshe to sell common shares. Ehrlich was allowed up to 1,000,000 under the plan, and Hanshe was allowed up to 142,000.

If sold, the shares would be on an automatic basis, not dependent on the share price, as the name suggests. The news sent Voyager stock down about 17% between trading days.

The CEO and COO did not sell any shares under the plan before the cancellation was announced.

So what?

Ehrlich stated the reasoning behind the cancellation is simple: they want the best for their shareholders. He further elaborated on this point within the statement.

“Despite having a floor significantly above the current stock price, I felt it was in the best interest of the investors to withdraw the plan.” Ehrlich said. “Based on our key financial metrics, including revenues for the quarter ended December 31, 2021 as disclosed in our press release issued January 5, 2022, I believe Voyager is undervalued and am excited about our product growth and expanded capabilities planned for 2022, including our NFT offering, debit card rollout, international expansion and more.”

Now what?

Analysts tend to agree with Voyager stock on this point, continuing to [weigh in](#) on the future of the company. Most analysts believe the stock will outperform the market, with many giving it a target price around \$30 per share. That would see the stock more than double.

It's a smart move that clearly brought investors back on board with Voyager stock. And could be the catalyst to get it moving again. [Cryptocurrency](#) companies continue to see drops in share price, so growth from platforms like this is definitely positive news.

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