

Title: GameStop's NFT Hopes

Author: MrComedy325

Created 2022-06-02 14:17:41 UTC

Permalink: /r/GME/comments/v39wbp/gamestops_nft_hopes/

Url: https://www.reddit.com/r/GME/comments/v39wbp/gamestops_nft_hopes/

Shares of GameStop (NYSE: GME) ticked up 0.98% in after-hours trading on Wednesday after the gaming merchandise retailer posted mixed earnings.

Financials: GameStop reported a loss of \$2.08 per share, which was below estimates. Revenue of \$1.38 billion was better than expected.

The Good: Net sales are up year-over-year due to new and expanded brand relationships and the only debt on the books is a low-interest loan.

The Bad: Hardware sales reached \$673 million, lower than the same period last year. GameStop did not offer any financial guidance.

New Opportunities: Investors are most excited about GameStop's opportunities in cryptocurrency and Web3 gaming. This includes a marketplace for non-fungible tokens (NFTs). GameStop announced the marketplace last quarter, with plans to launch it by the end of the second quarter. The Gamestop Wallet, which is a digital asset wallet that can store crypto and NFTs, was announced last month. There have been no other updates about the NFT marketplace.

Stocking Up: Inventory nearly doubled year over year. GameStop stocked up on extra inventory to meet customer demand and offset supply chain headwinds.

Numbers: GameStop's stock is down 33% in the past six months, but it is up 1% in the past month.

Final Thoughts: The NFT marketplace remains the biggest mystery for this once-popular meme stock, which has been volatile in the past year.

Hope you enjoyed this commentary. Please subscribe to Early Bird, a free daily newsletter that helps you identify investment trends: <https://earlybird.email/>