

5 Companies That Could Win Big as the U.S. Legalizes Sports Betting

Thursday, January 17, 2019 12:00:00 PM (GMT)

LONDON, January 17, 2019 /PRNewswire/ --

FN Media Group Presents Safehaven.com Market Commentary

This is the point in time where Las Vegas is transformed into something that transcends physical boundaries, and we have the U.S. Supreme Court to thank for opening up a massive sports betting market that-for starters-will probably absorb the \$150 billion the American Gambling Association estimates is bet illegally on sports every year in the U.S. Mentioned in today's commentary includes: MGM Resorts (NYSE:MGM), Caesars Entertainment (NYSE:CZR), Madison Square Gardens (NYSE:MSG), Penn National Gaming (NASDAQ:PENN), GameHost Inc (OTC:GHIFF)

The beneficiaries are big and varied. Everyone from live in-game betting operators, to casinos, sports clubs and betting app makers are set to cash in their chips here.

Some are even speculating that social media giants such as Facebook (FB), Twitter (TWTR) and Google (GOOGL) will be clamoring to enter the sports betting business because they could easily take advantage of their massive user bases and infrastructure. However crowded this space becomes, all bets are on the house.

In May, the [Supreme Court](#) struck down a 1992 federal law that barred states from authorizing sports gambling. Now, many states are lining up to copy something like the quarter of a billion dollars in sports bets that New Jersey took in just in October, or even better, the \$528 million that Nevada took in.

So while casino stocks, for instance, flopped this year, analysts are expecting outsized gains going forward. As Bernstein's Vitaly Umansky notes, "the gaming space has shown, time and again, that if investors pick the right market, the right company, at the right time, outsized returns are possible".

Whether it's an established casino giant angling for fresh flesh, a sports team that sees the green in partnering with the gambling world, or a savvy small-cap that sneaks in to position itself as an end-to-end provider of next-gen gaming solutions ...

Here are 5 stocks that can get investors into the game:

#1 MGM Resorts (NYSE:MGM)

The largest casino operator in the United States, MGM pulls in more than \$4 billion in revenue just from Las Vegas, but now its angling big for sports betting, surrounding it on all fronts.

In no uncertain terms, these guys are building a sports betting empire that is poised to end up trumping their casino operations, as evidenced by their recent partnership deal with Major League Baseball (MLB), which also features in our Top 5 list. So, MGM will be MLB's official gaming partner, adding to the resorts company's sports line-up, which already included pro basketball and hockey.

Investors will also be keenly watching how MGM's partnership deal with Boyd Gaming is leveraged. BYD is one of the biggest sportsbooks operators in Las Vegas, and MGM will now [have access](#) to its online and mobile gaming platforms-and vice versa-in some 15 states.

#2 Bragg Gaming Group, Inc. ([BRAG.V](#); [BKDCF](#))

This little-known company boasts the single largest Facebook page in the online sports industry, with 26 million fans who are sports fanatics. The Bragg Gaming Group is betting that many of them are ready to pounce on a new sports gambling app in the [\\$150-billion](#) market that just opened up.

[Bragg](#) is positioning itself as an end-to-end provider of next-generation gaming solutions, transitioning from its traditional tech and AI business. It's a transformation that's timed specifically to take advantage of the critical moment for outsized opportunities in the sports betting market.

They plan on dealing in everything from casinos, e-sports and poker to sports betting, lotteries, B2B/B2C gaming technologies and payment services, so Bragg is set to hit the ground running. Its secret weapon is its **GiveMeSport** subsidiary, the proud owner of the 26-million-strong Facebook sports information page, which beats even ESPN.

Even better where timing is concerned, they are about to launch their first game to this massive audience. It's a new app that they've been holding back for years, waiting for sports gambling to be legalized.

The catalysts are mounting: Bragg has recently acquired Oryx Gaming, a turnkey gaming solutions provider for casino operators that include over 5,000 integrated games, including from Tier-1 gaming operators. That's when Breaking Data became Bragg ([BRAG.V](#); [BKDCF](#)) and got listed on the TSX Stock Exchange.

Bragg is a highly integrated gaming and media company that leverages its cross product and multi-channel platform to market its diverse product suite. Its sports betting arm will operate under the GiveMeBet banner, working pretty much like Sky Betting and Gaming, which was sold to the Stars Group to April this year for £5.7 billion.

GiveMeBet will funnel GiveMeSport's 26M users and work to monetize them, starting with sports betting and then moving on to casinos, e-sports, poker, lotteries, B2B/B2C gaming technologies and payment services.

So, Bragg will own three gaming and media assets: GiveMeSport, Oryx Gaming and GiveMeBet-all to be high-value businesses serving high-growth markets.

Both GiveMeSport and Oryx Gaming are proven growth machines. Since April 2017, Give Me Sport's UK monthly traffic has increased by 5 million and currently exceeds 30M. Revenue has grown by a healthy 30 percent clip.

#3 Caesars Entertainment (NYSE:CZR)

Give unto Caesar what is his ... and the newly legal sports betting bonanza is likely to do just that. Casino stocks will be one of the biggest beneficiaries of the Supreme Court's May ruling.

And one of the biggest specific catalysts is Caesar's positioning of itself to gain access to the wildly lucrative Japanese gaming market, following a Japanese ruling in July allowing Las Vegas-style casinos.

Dubbed the 'mother lode' for Las Vegas gaming companies because of the Japanese penchant for gambling, Caesar's is expected to soar on this. But not only on this: The location means it will automatically have access to other Asian gambling tourists.

The recent quarterly earnings also helped, with CZR reporting \$.03 earnings per share, meeting analyst expectations, with \$2.19 billion in revenue for the quarter.

#4 Madison Square Gardens (NYSE:MSG)

As billionaire Dallas Mavericks owner Mark Cuban [told CNBC](#) right after the Supreme Court ruling on sports betting in May, "I think everyone who owns a top-four professional sports team just basically saw the value of their team double."

The nearly \$7-billion market cap MSG, which owns the New York Knicks and the New York Rangers, now appears to be undervalued.

And there are some big catalysts here. Longer-term, investors should be looking at the massive market potential for sports television and streaming rights right now.

But the biggest thing on investor radar presently is progress towards spinning off MSG's sports business, for which it filed its initial Form 10 on October 4th. The spin-off would mean that investors can better evaluate the company's assets and future potential, as [Forbes](#) points out, giving both companies "increased strategic flexibility to pursue their own distinctive business plan and capital allocation policy".

#5 Penn National Gaming (NASDAQ:PENN)

Overall, it's been a rollercoaster year for Penn, but the new lease on life for sports betting changes things.

This almost \$2.7-billion market cap casino company is placing its biggest bet yet with a [\\$3.1-million](#) gamble that the house will win. The deal is the biggest insider purchase in 15 years. And it's all about sports betting. Penn is planning to launch sports betting at five Mississippi casinos and its Hollywood Casino.

It also got a boost in mid-November on news that it would acquire Detroit's Greektown Casino-Hotel's operations for [\\$300 million](#) from Cleveland Cavaliers owner Dan Gilbert, the founder of Detroit-based Quicken Loans.

That rollercoaster showing this year, plus PENN's miss on analyst estimates in quarterly reporting end up rendering the stock fairly cheap after working in the new potential of the sports betting segment and the casino company's ability to grasp this opportunity.

Other companies that can't be forgotten in the new gaming boom:

GameHost Inc (OTCMKTS:GHIFF)

GameHost is a leading entertainment and hospitality provider based in Alberta, Canada. The company operates four primary properties in the Alberta province, each offering slot machines, table games, top quality hospitality and more meant to appeal to both casual gamers and dedicated gamers alike.

GameHost is well-known for providing dividends to its investors, a plus for those who have stuck with the company over the years. In fact, its focus on increasing value for shareholders is made abundantly clear in its mission to reduce costs and improve offerings, creating some of the highest profit margins in the business.

By. Joao Piexe

****IMPORTANT! BY READING OUR CONTENT YOU EXPLICITLY AGREE TO THE FOLLOWING. PLEASE READ CAREFULLY****

FORWARD-LOOKING STATEMENTS. Statements in this communication which are not purely historical are forward-looking statements and include statements regarding beliefs, plans, intent, predictions or other statements of future tense. Forward looking statements in this article include that the gaming industry continues to grow; that a bigger investment opportunity than casinos may be in growth stocks like Bragg; that GiveMeSport's new website will start with sports betting before expanding into the other areas including casino games, e-sports, poker and lottery products; that Bragg Systems may have a system that would be accepted by gamers; that it can leverage the Give Me Sport fan base into sports betting through Bragg's platform to drive adoption and growth; that Bragg can protect its intellectual property; the size of the potential sports gaming market; that Oryx gives it the gaming platform to break into the online sports gaming and betting market; that more states in the US will legalize sports gaming; and that Bragg's revenues will continue to increase; and that the company intends to grow and acquire assets across the full spectrum of gaming verticals in multiple jurisdictions. Forward looking statements involve known and unknown risks and uncertainties which may not prove to be accurate. Actual results and outcomes may differ materially from what is expressed or forecasted in these forward-looking statements. Matters that may affect the outcome of these forward looking statements include that markets may not materialize as expected; gaming may not turn out to have as large a market as thought or be as lucrative as thought as a result of competition or other factors; fans who like sport may not be converted to online sports gamblers; Bragg may not be able to offer a competitive product or scale up as thought because of potential inferior online product, lack of capital, lack of facilities, regulatory compliance requirements or lack of suitable employees or contacts; Bragg intellectual property rights applications may not be granted and even if granted, may not adequately protect Bragg intellectual property rights; and other risks affecting Bragg in particular and the gaming industry generally. The forward-looking statements in this document are made as of the date hereof and the Company disclaims any intent or obligation to update such forward-looking statements except as required by applicable securities laws.

Risk factors for the online sports gaming industry in general which also affect Bragg including without limitation the following: Competitors may offer better online gaming products luring away Bragg's customers; Technology changes rapidly in the business and if Bragg fails to anticipate or successfully implement new

technologies or adopt new business strategies, technologies or methods, the quality, timeliness and competitiveness of its products and services may suffer; Bragg may experience security breaches and cyber threats; regulators may impose significant hurdles to online gaming companies; Bragg's business could be adversely affected if consumer protection, data privacy and security practices are not adequate, or perceived as being inadequate, to prevent data breaches, or by the application of consumer protection and data privacy laws generally; The products or services Bragg distributes through its platform may contain defects, which could adversely affect Bragg's reputation.

DISCLAIMERS

PAID ADVERTISEMENT. This communication is a paid advertisement and is not a recommendation to buy or sell securities. Safehaven.com, Leacap Ltd, and their owners, managers, employees, and assigns (collectively "the Company") has been paid by the profiled company or a third party to disseminate this communication. In this case the Company has been paid by Bragg seventy thousand US dollars for this article and certain banner ads. This compensation is a major conflict with our ability to be unbiased, more specifically:

This communication is for entertainment purposes only. Never invest purely based on our communication. Gains mentioned in our newsletter and on our website may be based on end-of- day or intraday data. We have been compensated by Bragg to conduct investor awareness advertising and marketing for Bragg. Therefore, this communication should be viewed as a commercial advertisement only. We have not investigated the background of the company. The third party, profiled company, or their affiliates may liquidate shares of the profiled company at or near the time you receive this communication, which has the potential to hurt share prices. Frequently companies profiled in our alerts experience a large increase in volume and share price during the course of investor awareness marketing, which often end as soon as the investor awareness marketing ceases. The investor awareness marketing may be as brief as one day, after which a large decrease in volume and share price is likely to occur.

We do not guarantee the timeliness, accuracy, or completeness of the information on our site or in our newsletters. The information in our communications and on our website is believed to be accurate and correct, but has not been independently verified and is not guaranteed to be correct. The information is collected from public and non-public sources but is not researched or verified in any way whatsoever to ensure the information is correct.

SHARE OWNERSHIP. The owner of Safehaven.com owns shares and/or stock options of this featured company and therefore has an additional incentive to see the featured company's stock perform well. The owner of Safehaven.com will not notify the market when it decides to buy or sell shares of this issuer in the market. The owner of Safehaven.com will be buying and selling shares of the featured company for its own profit. This is why we stress that you conduct extensive due diligence as well as seek the advice of your financial advisor or a registered broker-dealer before investing in any securities.

NOT AN INVESTMENT ADVISOR. The Company is not registered or licensed by any governing body in any jurisdiction to give investing advice or provide investment recommendation. ALWAYS DO YOUR OWN RESEARCH and consult with a licensed investment professional before making an investment. This communication should not be used as a basis for making any investment.

INDEMNIFICATION/RELEASE OF LIABILITY. By reading this communication, you agree to the terms of this disclaimer, including, but not limited to: releasing The Company, its affiliates, assigns and successors from any and all liability, damages, and injury from the information contained in this communication. You further warrant that you are solely responsible for any financial outcome that may come from your investment decisions.

RISK OF INVESTING. Investing is inherently risky. While a potential for rewards exists, by investing, you are putting yourself at risk. You must be aware of the risks and be willing to accept them in order to invest in any type of security. Don't trade with money you can't afford to lose. This is neither a solicitation nor an offer to Buy/Sell securities.

DISCLAIMER: Safehaven.com is Source of all content listed above. FN Media Group, LLC (FNM), is a third party publisher and news dissemination service provider, which disseminates electronic information through multiple online media channels. FNM is NOT affiliated in any manner with Safehaven.com or any company

mentioned herein. The commentary, views and opinions expressed in this release by Safehaven.com are solely those of Safehaven.com and are not shared by and do not reflect in any manner the views or opinions of FNM. FNM is not liable for any investment decisions by its readers or subscribers. FNM and its affiliated companies are a news dissemination and financial marketing solutions provider and are NOT a registered broker/dealer/analyst/adviser, holds no investment licenses and may NOT sell, offer to sell or offer to buy any security. FNM was not compensated by any public company mentioned herein to disseminate this press release.

FNM HOLDS NO SHARES OF ANY COMPANY NAMED IN THIS RELEASE.

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, plans, results, or strategies and are generally preceded by words such as "may", "future", "plan" or "planned", "will" or "should", "expected," "anticipates", "draft", "eventually" or "projected". You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors, and other risks identified in a company's annual report on Form 10-K or 10-KSB and other filings made by such company with the Securities and Exchange Commission. You should consider these factors in evaluating the forward-looking statements included herein, and not place undue reliance on such statements. The forward-looking statements in this release are made as of the date hereof and FNM undertakes no obligation to update such statements.

Contact Information:

Media Contact - FN Media Group LLC

e-mail: editor@financialnewsmedia.com

U.S. Phone: +1(954)345-0611

SOURCE Safehaven.com

Countries: United Kingdom, United States

Industries: Agriculture, Entertainment & Leisure, Gambling & Casinos

Languages: English

Primary Identifiers: CZR.XX2-US, GH-CA, MGM-US, MSGS-US, PENN-US

Related Identifiers: CZR.XX2-US, GH-CA, MGM-US, MSGS-US, PENN-US, GHIFF-US

Subjects: Investment Opinions