

## The Top 2 Mobile Gaming Stocks to Consider

Demand for mobile gaming has been incredibly explosive.

More than 2.7 billion global gamers are expected to spend nearly \$160 billion on games just this year, according to market researcher Newzoo. Better, mobile gaming could generate up to \$77.2 billion this year – 13.9% growth year over year.

And, according to analysts at App Annie Intelligence, “Our new report illustrates that while mobile gaming first overtook both home game consoles and PC and Mac gaming for consumer spending in 2014, mobile gaming’s lead has widened dramatically since then. In 2020, mobile game spending is set to extend its lead to more than 2.8x over desktop gaming and 3.1x more than home game consoles. Mobile, clearly, is in a league of its own.”

With strong growth forecasts, some of the top gaming stocks to consider include:

### Zynga Inc. (ZNGA)

Since bottoming out in March 2020 at \$5.65, the stock rocketed to a high of \$9.15.

It’s running even higher on news it’s buying Peak for \$1.8 billion. According to Bloomberg, “The Peak deal will bring Zynga a popular lineup of puzzle games called Toon Blast and Toy Blast. The company is making the acquisition at a time when its business is booming, fueled by consumers staying at home with few live-entertainment options.”



The acquisition is also expected to boost Zynga’s average users by 60% and will help expand its international audience.

And, according to CEO Frank Gibeau, the company estimates second quarter sales of \$400 million, up 31% year-over-year, with bookings of \$460 million, up \$84 million year-over-year. “In Q2, we expect revenue of \$400 million, up \$94 million or 31% year-over-year, with bookings of \$460 million, up \$84 million or 22% year-over-year. Live services will drive our topline performance, led by our forever franchises, as well as the year-over-year additions of Merge Magic! and Game of Thrones Slots Casino,” he says.

### Glu Mobile (GLUU)

The gaming company just said it expects Q2 bookings in the range of \$162.5 million to \$167.5 million. That’s up from prior guidance of \$150 million to \$155 million.



Nick Earl, CEO, said, “Since our recent first quarter report and earnings conference call, we’ve seen significant momentum in the business and broad-based growth across our live game portfolio driven by successful live operations execution and continued positive industry trends.”

“Our three Growth Games, along with Diner DASH Adventures, and Kim Kardashian: Hollywood and Disney Sorcerer’s Arena, are performing above our expectations, with several setting new records for daily bookings along the way. These positive trends are driving increased scale and better than anticipated flow through to the bottom line. This gives us confidence in raising our expected financial outlook for the current quarter and full year,” he added.