

Three Top Stocks for the Sports Betting Boom

Sports betting stocks could... go... all... the... way.

Years after a U.S. Supreme Court decision, sports betting is defying all expectations. Already, according to ESPN, more than \$20 billion has been spent on sports books since that decision. Better, moving forward many more U.S. states are likely to approve it, driving even more growth. In short, the boom has only just begun.

Here are the top three ways to trade it.

Stock No. 1 – Penn National Gaming Inc. (PENN)

Penn National Gaming owns and manages gaming and racing properties, and operates video gaming terminals with a focus on slot machine entertainment. The company operates through four segments: Northeast, South, West, and Midwest. It also offers live sports betting at its properties in Indiana, Iowa, Mississippi, Nevada, Pennsylvania, and West Virginia; and operates online casino under the name of iCasino in Pennsylvania.



Goldman Sachs now has a buy rating on the stock. Two, analysts at Stifel see higher highs for the stock. "The recent launch of the Barstool Sportsbook app coupled with other sports betting 'announcements' should allow the shares to continue riding the sports betting euphoria wave higher," Stifel said, adding that its previous estimates of the company's potential "were way too conservative and needed to be revised higher."

Stock No. 2 – William Hill PLC (WIMHY)

William Hill PLC provides sports betting and gaming services in the United Kingdom, the United States, and internationally. It operates through Retail, Online, US Existing, US Expansion, and Other segments. The company operates licensed betting offices (LBOs) that offer sports betting services on football, horseracing, and other sports, as well as gaming machines. It also operates online betting and gaming business that provides in-play and pre-match sports betting services and a range of gaming products; and offers casino, poker, and other gaming products, as well as telephone betting services.



According to Barron's, the stock looks cheap because investors aren't giving the company any credit for its attractive U.S. sports betting franchise. "William Hill boasts the leading U.S. sports betting market share, yet we see zero value priced in," Jefferies analyst James Wheatcroft said. "No. 1 in America Yet Zero Value Priced In."

Stock No. 3 – DraftKings Inc. (DKNG)

DraftKings Inc. operates as a digital sports entertainment and gaming company in the United States. The company provides users with daily sports, sports betting, and iGaming opportunities. It is also involved in the design and development of sports betting and casino gaming platform software for online and retail sportsbook, and casino gaming products.



There's a good deal of growth here.

For one, it just signed sports partnership deals with the New York Giants and the Chicago Cubs. Michael Jordan is now one of its top advisors. And, it just signed a multi-year deal with Disney's ESPN, which will allow DraftKings to become a "co-exclusive Sports book link-out provider."