

The Top Ways to Trade the Casino Rebound in 2022

Investors are rolling the dice on casino stocks again.

All as many shrug off virus fears, and push into economic recovery stocks, such as casinos.

In fact, over the last few weeks:

- MGM Resorts (MGM) bounced from \$38 to \$43
- Penn National (PENN) bounced from \$47.50 to \$52
- Las Vegas Sands (LVS) ran from \$34 to about \$38
- Wynn Resorts (WYNN) ran from \$75 to \$88
- Caesars Entertainment (CZR) ran from \$82.50 to \$94

However, this may only be the start of a bigger move in each of these stocks. In fact, we'd use recent weakness in them all as a buying opportunity.

Better, industry revenue is improving.

According to the American Gaming Association, revenue just hit a new quarterly high of \$13.89 billion in the third quarter. "With \$38.67 billion in revenue through the first nine months of the year, the industry has already passed revenue generated for the full year 2020 and is on pace to smash its annual record of \$43.65 billion, set in 2019," they noted.

If you want, you can always buy a basket of the above-mentioned casino stocks.

However, if you want greater diversification at less cost, consider ETFs, such as:

VanEck Vectors Gaming ETF (BJK)

At \$43.85 with an expense ratio of 0.92%, the BJK ETF "seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the MVIS Global Gaming Index (MVBKTR), which is intended to track the overall performance of companies involved in casinos and casino hotels, sports betting, lottery services, gaming services, gaming technology and gaming equipment," as noted by VanEck.

Some of its top holdings include Las Vegas Sands Corp., MGM Resorts International, DraftKings Inc., Flutter Entertainment PLC, and Caesars Entertainment.

Roundhill Sports Betting & iGaming ETF (BETZ)

At \$24.60 with an expense ratio of 0.75%, the ETF is the first index globally designed to track the performance of the sports betting and iGaming industry, according to Roundhill. Some of its top holdings include Flutter Entertainment, DraftKings, Churchill Downs, Caesars Entertainment, Penn National Gaming, and Entain PLC.