POKER INDUSTRY PRO

The European Shared Liquidity Opportunity

Analyzing Amaya in 2017

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European Shared Liquidity: Amaya's Opportunity

An analysis of Amaya's growth opportunity in online poker following the adoption of anticipated shared liquidity agreements across Europe's segregated markets.

Spain, France and Italy are three of Amaya's four largest regulated online poker markets.

Combined, they represent over one fifth of the company's total poker revenue; however, all three markets are in decline, in large part due to their segregated player pools.

With important regulatory hurdles cleared and momentum building in the industry, there is good reason to believe that these countries, along with Portugal, will allow operators to share liquidity in the next 12 to 18 months.

This would transform the landscape of European online poker. The increased liquidity would help to attract more players and should reverse the trend of perennial decline in online poker revenue from these markets.

While other operators are preparing for shared liquidity, Amaya—with its current de-facto monopoly in Portugal, a dominant position in Spain and Italy, and a competitive product in France—is positioned to reap the biggest rewards. Its combined European player pool would be the second largest in the world.

"One more thing that we have in Europe which is quite significant as well, is the shared liquidity between Italy, France, Spain and Portugal, or the potential shared liquidity between these four countries. Instead of managing four segregated liquidities, we would be able to manage one liquidity and through that attract players, increase the prizes and basically use our scale to continue to grow. So Europe is still a very significant region for us in which we are quite focused on."

Amaya CEO Rafi Ashkenazi, when asked during the Q1 2017 earnings call about new market opportunities.