

Snap stock soars 58% after posting profit for 1st time

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Investors are snapping up shares of Snap Inc. after the owner of the

disappearing message platform Snapchat surprised Wall Street by posting a quarterly profit for the first time.

The [stock](#) jump came Thursday after Facebook parent Meta saw its worst one-day stock price decline in its history, showing that while internet and social media companies are sometimes lumped together by Wall Street, their fortunes often diverge.

Shares of Snap Inc. were up \$14.30, or 58%, to \$38.89 in after-hours trading. The stock, which tends to be volatile, lost nearly 24% in the regular trading session following Meta's plunge.

"Snapchat is clearly not as prone to the 'TikTok effect' as Meta, with strong daily active user growth in all regions, including North America," said Insider Intelligence analyst Jasmine Enberg. She referred to the decline in user growth at Facebook that is in large part due to competition from TikTok, the popular video sharing app.

Even so, Enberg added, much of Snap's growth likely came from India, where TikTok is banned.

Snap, which is based in Santa Monica, California, said Thursday its [fourth-quarter](#) profit was \$22.6 million, or 1 cent per share, compared to a loss of \$69 million, or 8 cents per share, a year earlier. Analysts had been expecting it to report a loss of 9 cents a [share](#) in the latest quarter, according to FactSet.

Revenue grew 42% to \$1.3 billion. Snap's average daily user count also continued to increase, up 20% year-over-year to 319 million in the fourth quarter.

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This story has been corrected to use the accurate pronoun of analyst Jasmine Endberg.

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