



## 2 Top Blockchain Stocks to Buy As Bitcoin Soars

### Description

When the spring kicked off, I'd discussed bitcoin's price action. Key technicals at the time portended a break-out, but I was [admittedly skeptical](#). Bitcoin has proven the doubters wrong into the summer, which has more than doubled its price since the publication of that article.

Bitcoin and other cryptocurrencies are enjoying what looks like a second boom — the most significant since the run-up to its peak in late 2018. With that, there is renewed interest not just in cryptos, but also blockchain-focused equities. Today I want to look at two equities that are well-positioned to benefit from the ongoing Bitcoin and crypto boom.

### Hut 8 Mining

**Hut 8 Mining** (TSXV:HUT) owns industrial scale Bitcoin mining operations in Canada. Unsurprisingly, Bitcoin mining has shot up as cryptocurrencies have recaptured momentum in 2019. In May I'd [discussed Bitcoin halving](#) that was set to take place, which would reduce the rewards for miners going forward.

Hut 8 released some impressive second quarter data this past week. It achieved a record quarterly amount of Bitcoin mined for Q2 2019 of 2,816. The company retained Bitcoin of 3,250, up 24% quarter over quarter. The triple-digit percentage jump in bitcoin value was an obvious boost for Hut 8, as it saw its retained Bitcoin jump from \$14.3 million in value as at March 31 to \$46 million on June 30.

Shares of Hut 8 had an RSI of 52 as of close on July 10, putting the stock in neutral territory at the time of writing. Bitcoin miners will predictably benefit from the ongoing price bump, and Hut 8 is a company that is thriving in the early summer.

### HIVE Blockchain

**HIVE Blockchain** ([TSXV:HIVE](#)) aims to provide infrastructure solutions in the blockchain industry. Shares have surged over 80% in 2019 as of close on July 10.

The company is set to release its fourth-quarter and full-year results for 2019 this month. HIVE reported some struggles in its March 1 third- quarter report as crypto prices were battling volatility. The company minted over 28,000 newly minted Ethereum, a 45% increase for the quarter, and 784 newly minted Bitcoin.

The stock enjoyed an enormous run-up in late March and early April on the back of Bitcoin's price surge. However, it is still trading well off its 52-week highs set last July when it surpassed the \$1 mark. HIVE stock had an RSI of 46 at the time of this writing, putting it outside oversold or overbought territory ahead of its earnings release.

## The crypto parallel with precious metals

At the risk of an overly simplistic comparison, in many ways we can look at crypto and blockchain-connected equities like gold and silver producers. These equities, barring major internal moves, will consistently be driven by the spot prices of cryptos and precious metals.

Cryptos and PMs have both performed well as central banks have turned dovish on monetary policy. I expect this trend to continue into 2020, so crypto and blockchain-focused stocks may be worth the gamble in the near term.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:HUT (Hut 8 Mining)
2. TSXV:HIVE (Hive Blockchain Technologies)

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### Date

2025/06/29

### Date Created

2019/07/14

### Author

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