



## Is Bitcoin Dead? Or Is it a Monster in Waiting?

### Description

Bitcoin (BTC) followers are anticipating fresh bull run by the most popular cryptocurrency in the world. If you recall, BTC yielded the highest returns of any currency worldwide from 2011 to 2017. But it has been left for dead since late December 2017 when the price fell by 90% from its all-time high of \$20,000.

BTC was stagnant for most of 2019. There were a few dynamic upticks in 2019, but they weren't sustained. Over the last three months, the digital coin's highest price was \$13,016, which was posted on June 26, 2019. As of this writing, BTC is trading at \$10,347. With the latest buzz, is Bitcoin a monster in waiting? Could there be a fierce comeback?

### Another epic surge

The launching of Bakkt, an Intercontinental Exchange-backed Bitcoin-trading platform, on September 23, 2019, could cause a price breakout and the unprecedented growth of Bitcoin. It could have the same effect on other top cryptocurrencies, including Ethereum, Litecoin, and Ripple's XRP.

Bakkt will introduce its futures service or the so-called physical Bitcoin futures contracts. These contracts pay out in the underlying cryptocurrency rather than in cash. Bakkt intends to compete against consumer and merchant-oriented cryptocurrency businesses that are in existence today.

Bill Gates's **Microsoft** and coffee chain **Starbucks** are among Bakkt's partners. With technology giants embracing cryptocurrency, Venture capitalist and major BTC bull Tim Draper believes that Bitcoin's epic surge in 2017 is about to be repeated. He predicts BTC will hit \$250,000 by 2022.

### Less-risky alternative

An investment that offers a 2,316% increase in three years is very tempting. But you should worry about the risks. BTC displayed its [volatility](#) again, as its price fell \$200 in minutes last week. Historically, Bitcoin can rise exponentially then fall in the same degree. Its massive price swings attract

high-risk investors.

If you want exposure in cryptocurrency with tempered risks, you can invest in a company that operates a cryptocurrency-mining company in Canada instead. **Hut 8** (TSXV:HUT) is the top blockchain stock on the TSX.

This \$184.7 million Toronto-based company is operating over 85 data centres. It has cryptocurrency mining centres in Drumheller and Medicine Hat, both in the province of Alberta. Hut 8 has an exclusive partnership with renowned Bitcoin software company Bitfury. The latter provides Hut 8 with a mining infrastructure that includes semiconductors and fixed-site installations.

Despite its small-cap status, Hut 8 is one of the world's largest public Bitcoin-mining companies by operating capacity and market capitalization. Only recently, the company acquired nine Blockbox AC data centres from the Bitfury group for US\$7 million. The data centres were in the Drumheller facility.

The latest acquisition is part of Hut 8's initiatives to increase efficiency and decrease mining cost per Bitcoin. Hut 8 will still be in the red, as it pursues the goal to have a world-leading, industrial-scale Bitcoin-mining operations in Canada.

## No virtual wallet

Besides being expensive, BTC has too many technical complexities. For \$2.11, you'll have [direct exposure to Bitcoin](#) through Hut 8. When you purchase this blockchain stock, you eliminate the constraints of owning the world's most popular cryptocurrency. More importantly, your nerves won't be on edge with Hut 8.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. TSX:HUT (Hut 8 Mining)

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