



Double Your Money in 2020 With This Bitcoin-Mining Stock

Description

Cryptocurrency technologies have impacted our world, and they are just getting started. You could, of course, start buying these assets on your own. The problem is, though, that the types and uses of these cryptocurrencies are as varied as the underlying coins. Trying to decide what to buy is like trying to learn all the stocks on another exchange. It is foreign to most and difficult to navigate.

That is why it is probably best to stick with a stock that has exposure to the technologies. Buying one of these stocks gives investors a way to gain exposure to the burgeoning sector without having to start wading through the actual world of cryptocurrency.

Why blockchain?

Made famous by the renegade [cryptocurrency Bitcoin](#), the underlying technology is beginning to make inroads into the basic nuts and bolts of our financial system. Transactions are becoming frictionless, reducing fees to much lower levels than those of traditional banking. Money can be sent around the world in seconds, easing international funds movement.

There is much more to this than just the coins. Practically every financial industry, such as banking, contracts, and insurance, may be impacted by the new technology. Whether that is good or bad for you depends on where you are currently sitting. There are blockchain companies that keep advertisements private and your data safe. Others act as new ways to facilitate equity trades in quick and transparent ways.

A stock to consider

The blockchain space is still new, and many of the companies working in the sector are still small and private. There are small ways to get exposure to the sector, though. One stock that seeks to gain from the rise in cryptocurrencies is the Canada-based mining company **Hut 8 Mining** ([TSX:HUT](#)).

This Alberta-based crypto mining company owns two mining sites and is primarily focused on Bitcoin. If you are interested in buying a Canadian stock that is located in a stable jurisdiction, this is the way to go. It also has the advantage of using low-cost energy from clean energy sources. At the moment,

most of its power comes from wind and natural gas power sources.

Risks

This is a new industry with a very high level of volatility. There is no way to know for certain whether or not cryptocurrencies will be adopted on a mass scale. Personally, I believe in this technology, but there is no way to know for certain.

On a company-specific level, HUT does have a substantial amount of debt. This is to be expected, given the fact that this is a new company operating in a new industry. It also reported a net loss per share of \$0.09 in the first quarter of 2020. Revenue, however, increased by 5% year over year.

The bottom line

This stock is a great way to get exposure to the disruptive blockchain technology sector. HUT gives investors the opportunity to [profit from cryptocurrencies](#) without the hassle of figuring out the technology for themselves. It is risky, though, as the technology is new, and the company is still posting earnings losses.

If you don't want to dive headfirst into the volatile cryptocurrency world, this is a great option to try and profit. Cryptocurrencies are growing at an incredible rate. This high-risk company will help you to join the party, but proceed with caution.

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