



This Stock Could Be the Lightspeed POS (TSX:LSPD) of Bitcoin

Description

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) has probably been one of the best-performing Canadian tech stocks of the past year. The stock price has climbed a [jaw-dropping 600%](#) since last March. Investors remain bullish about the company's prospects.

However, a tiny, little-known company could be the Lightspeed equivalent of the cryptocurrency world. Here's a closer look at a stock that should probably be on every Canadian growth investor's radar.

Lightspeed for crypto

British Columbia-based startup **Banxa Inc.** (TSXV:BXNA) recently listed on the Venture Exchange. The company provides a simple payment system that serves as a bridge between traditional fiat currencies and cryptocurrencies. Essentially, it allows users to pay for BTC or ETH in USD, CAD or any one of their local currencies.

According to the company, a simple five-minute process allows any crypto business to integrate the payment platform onto their website and convert fiat currencies to crypto. Banxa manages the Know-Your-Customer (KYC) procedures and accepts payments via **Mastercard, Visa**, Apple Pay, Interac E-Transfer and POLi.

Essentially, Banxa the Lightspeed equivalent of the digital assets world. The ability to use regular bank accounts and payment methods to buy BTC or ETH solves a critical bottleneck for billions of potential users. This easy-to-use platform that already complies with financial regulations in major economies could be the key to higher crypto adoption.

Banxa's outlook

Crypto adoption is growing rapidly and Banxa's Business to Business (B2B) product already reaches over 1.2 million users. As the industry matures and flagship cryptocurrencies such as Bitcoin become more widely accepted, Banxa's services could become more essential.

The company processed \$195 million in transaction volume over a six-month period ending in December 2020 — up 780% from the same period in the previous year. Annual revenue could be around \$15 million by the end of the year. Banxa also reported \$12.8 million in cash and current assets, along with 136 Bitcoins (worth \$8.2 million) in inventory at the end of 2020.

Banxa's market capitalization currently stands at \$107 million. Meanwhile, Lightspeed POS is worth \$11 billion. Considering the above numbers, Banxa stock is trading at a price-to-sales ratio of 6.7 and a price-to-cash ratio of 7.8. That's unbelievably low for a tech stock with triple-digit growth at the cutting-edge of financial innovation.

If crypto payments and investments capture even a fraction of traditional fiat e-commerce and trading activity, Banxa stock could be a potential multibagger.

Bottom line

Recently listed crypto payments startup Banxa could be the Lightspeed POS for digital assets. The easy-to-use platform allows users to verify their identity and convert USD or CAD into BTC or ETH quickly. This on-ramp solves a critical bottleneck in the crypto industry and could lead to higher adoption.

Banxa stock is trading at a fairly reasonable valuation, especially when you consider its triple-digit growth over the past year. This could be a better bet than Bitcoin miners or crypto ETFs. Keep an eye on it.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:LSPD (Lightspeed Commerce)
3. TSXV:BNXA (Banxa Holdings Inc.)

PARTNER-FEEDS

1. Business Insider
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