



Young Investors: Should You Buy Bitcoin or Cannabis Stocks in March?

Description

The last decade has seen sectors that operated in the dark come out into the light. Cannabis and the cryptocurrency space have both attracted substantial mainstream attention. Both have richly rewarded their respective early adopters. Today, I want to discuss whether young investors should cast their lot in with the cannabis or bitcoin/crypto space right now. Which is the better bet ahead of the spring season? Let's dive in.

How young investors have powered the rise of bitcoin and crypto

Bitcoin first launched on January 3, 2009. The mysterious Satoshi Nakamoto mined the genesis block of bitcoin (block number 0) which had a reward of 50 bitcoins. Bitcoin first traded at a value of US\$0.0008 per coin. Roughly [12 years later](#), 50 bitcoins are worth over \$2.5 million. All hail the early adopters.

In order to be apart of this elite group, investors required the knowledge and technical ability to stash the then-fledgling digital currency. Moreover, investors needed to have suitable hardware to stash crypto. Suffice it to say, a lot has changed in a little over a decade. Now, with the launch of bitcoin funds and ETFs like the **Purpose Bitcoin ETF** ([TSX:BTCC.B](#)), anyone can track the value of bitcoin with minimal effort.

Crypto is still a space that is dominated by the younger generation. According to a report from the crypto exchange Binance, the average age of a crypto investor is 34. Moreover, the young investors in crypto see it as a long-term investment. Questions still swirl around bitcoin's viability, but its early adopters certainly have bragging rights in 2021.

Will cannabis legalization in the United States lead to a new cannabis stock bull market?

Justin Trudeau sailed on a sea of green to win a majority in the 2015 Canadian federal election. Trudeau's Liberals vowed to legalize recreational cannabis use. This spurred a surge in millennial voter turnout. Moreover, this excited young investors who were [ready to pounce](#) on the ascendant cannabis industry.

The liberals kept their promise and pushed forward legislation that would come into effect by 2018. Young investors poured into the cannabis space. Like bitcoin, those who put their faith in this sector were rewarded. **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC) was one of the largest producers to gain attention at the start. Its shares were valued under \$2 before the federal election. Canopy Growth stock was trading above the \$40 mark at the time of this writing.

Young investors have more reasons to be excited about cannabis in 2021. The election of Joe Biden and the Democrats in the 2020 U.S. Election introduced the potential for legal cannabis south of the border. Industry leaders, including the CEO of Canopy Growth, anticipate federal legalization within the next two years. The United States is the largest cannabis market in the world. Moreover, Canopy Growth already positioned itself to dive into the U.S. after its acquisition of Acreage Holdings.

Shares of Canopy Growth have climbed over 100% year over year. The company launched its first CBD drinks that will be available to U.S. customers. Moreover, the White House and Senate are expected to take cannabis off its dangerous drugs list over the next year. Legalization would be the next step.

Which is the better bet today?

Bitcoin has proven to be an explosive asset over the last year. It is also benefiting from mainstream adoption and regulatory support. Cannabis may have a bright future in the U.S., but there are still many unknowns. Both are volatile assets in early 2021, but bitcoin appears to be the more reliable store of value for young investors right now.

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1. Cannabis Stocks

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