



Buy Hive Stock to Play the Bitcoin Rally

Description

Bitcoin is gaining ground, with its price approaching the US\$60,000 mark. [JP Morgan recently gave a US\\$130,000](#) Bitcoin price target, so there's still lots of upside for the cryptocurrency. There are different ways to invest in Bitcoin. Buying a cryptocurrency stock like **HIVE Blockchain Technologies** ([TSXV:HIVE](#)) is one way to do so.

HIVE offers higher growth potential with lower risk than Bitcoin

The first thing you need to decide before getting exposed to Bitcoin is how much risk you want to take. Cryptocurrency is naturally very volatile, so even the least-risky investments will always have significant volatility.

If you want to get exposure to Bitcoin without buying Bitcoin directly, you can do so by investing in a Bitcoin [ETF](#) or in a cryptocurrency stock like HIVE. Buying HIVE stock will allow you to get the highest possible growth potential with the lowest risk.

Vancouver-based HIVE is a straightforward play in inherently lucrative Ethereum and Bitcoin mining. It has mining facilities located in Canada, Sweden, and Iceland. In addition, the company seeks growth through expansion wherever it can. As long as Bitcoin prices remain high, analysts see massive revenue growth room on the horizon.

Investors who are bullish about the future of cryptocurrencies may consider that buying and holding HIVE stock may be a safer bet than holding cryptos directly in a wallet. At least for an average investor, it's a much easier alternative. Indeed, HIVE stock is listed on a stock exchange. Thus, this investment is more liquid. Investors can dip their toes into a volatile market without having to worry about setting up a portfolio or a mining platform.

However, investing in crypto miners like HIVE is a leveraged way to play the price of the underlying asset. When buying such miners, investors should have full confidence in the underlying commodity (Bitcoin). If Bitcoin prices drop significantly or mining becomes unprofitable, these stocks could crash big time. That said, since HIVE also operates Ethereum, it offers investors a diverse way to bet on

cryptocurrencies beyond a single coin.

HIVE stock is a speculative play

While less risky than buying Bitcoin directly, HIVE stock remains a very volatile investment. Although HIVE is one of the most secure and best-managed crypto-miners, it is not immune to a major correction.

Indeed, the company depends solely on the price of cryptocurrencies. Similar to other commodity-based companies, this is great in bull markets; when things go wrong, not so much. This stock remains highly speculative, and investors should not bet what they cannot afford to lose.

However, one thing investors should note with HIVE is that the company is mining more than Bitcoin. This diversification mitigates some of the volatility linked solely to Bitcoin's performance. HIVE has its assets built around the world to minimize costs and has used green energy to power its facilities since its inception.

Ethereum has recently hit a new all-time high, which will help boost HIVE's revenue and share price. HIVE is currently the only publicly traded cryptocurrency mining stock offering investors significant exposure to the Ethereum-mining economy.

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