



Forget Coinbase and Bitcoin! 3 Top Cryptocurrency Plays to Buy Right Now

Description

The much-anticipated **Coinbase** IPO lands today. The direct listing will probably be severely overbought, and those who don't use limit orders will likely get hurt.

The boom-and-bust nature of IPOs is nothing new. Add cryptocurrencies into the equation, and both the boom-and-bust phases should be amplified considerably. I wouldn't at all be surprised if COIN stock were to more than [double](#) on its debut. In any case, I'd recommend sitting on the [sidelines](#) for now. If you're keen on gaining broader exposure to cryptocurrencies via miners or exchange platforms like Coinbase, there are better alternatives out there. And Canadians don't need to step outside the **TSX Index** either.

The number of ways to bet on crypto and Bitcoin is growing

There are a growing number of options to bet on cryptocurrencies these days. You can own it in a wallet and run the risk of losing your keys or bet on the numerous securities that live on the TSX.

Given the security issues, I'm not a fan of owning Bitcoin or any other cryptocurrency through a wallet. Crypto ETFs are the way to go if you want direct exposure to the asset. Today, there are a handful of Bitcoin ETFs on the TSX, with Ethereum ETFs likely on the way.

My favourite Bitcoin ETF would have to be the **CI Galaxy Bitcoin ETF** (TSX:BTCX) because of its ridiculously low management fees. Not to mention it also has a trusted firm **CI Financial** in its corner in addition to an up-and-coming blockchain-focused financial service and investment management innovation company **Galaxy Digital Holdings** ([TSX:GLXY](#)), which also happens to be one of the hottest stocks on this side of the border.

Diversifying beyond Bitcoin ETFs

I have no idea if Bitcoin will be the token of choice over the next decade and beyond. Bitcoin has many shortcomings, and that has many cryptocurrency investors more inclined to bet on the broader basket

of cryptocurrencies. That's why it's wise to spread your bets across the crypto universe.

Like Coinbase, Galaxy Digital is an indirect TSX-traded cryptocurrency play that could have amplified upside should Bitcoin lead the charge past the US\$100,000 mark in 2021. The company holds over 16,000 Bitcoins on its balance sheet, which is worth over US\$1 billion at the time of writing.

The brilliant folks at Galaxy are betting big on the crypto world, and I think the stock may be worth a gamble, even after its epic run. It's a multi-bagger that could keep going if you think Bitcoin has room to run. If you're unsure or think crypto is due for a vicious crash, perhaps at the hands of U.S. regulatory pressures, Galaxy Digital stock may be worth adding to your watch list for now.

And then, there are the cryptocurrency miners like **HIVE Blockchain Technologies** ([TSXV:HIVE](#)) that can give you exposure to Bitcoin and Ethereum through the energy-intensive mining practice. HIVE is the best of its breed, with lower energy costs versus most other crypto miners. Like anything else blockchain-related, though, HIVE stock could be at risk of serious downside if investors sour on Bitcoin and the like.

Cryptocurrencies and Coinbase aren't going anywhere

Cryptocurrencies aren't dying anytime soon. They may or may not be in a bubble. Regardless, I think it makes sense to allocate a small position of your so-called funny money (no more than 2-4%) in the crypto universe, with the wide range of Bitcoin and other crypto instruments. Cryptocurrencies are being securitized rapidly, and the number of options is surging alongside Bitcoin prices.

The best way for Canadians to bet on crypto is through Bitcoin ETFs, miners like HIVE stock, or digital financial stocks like Galaxy Digital.

The Coinbase IPO is tempting, but if you're unable to get in on COIN stock at around its US\$250 direct-listing price, consider other plays, because you do not want to get caught skating offside with what could be the hottest new issue in years.

CATEGORY

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1. TSX:GLXY (Galaxy Digital)
2. TSXV:HIVE (Hive Blockchain Technologies)

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