



## Forget Coinbase: HIVE Stock Is a Better Buy After Bitcoin's Latest Plunge

### Description

All the hype surrounding the **Coinbase** (NYSE:COIN) IPO could set the stage for an epic bust, with volatility now returning to Bitcoin and the rest of the crypto market. The boom and bust of recent Initial Public Offerings (IPOs) are really nothing new. Add Bitcoin and cryptocurrency into the equation and the booms and busts could be that much more pronounced. Indeed, people who get the timing right can make a quick buck. But for the many whose timing is off (most beginner investors), the damages can mount and quickly.

While Coinbase stock has cooled off in recent weeks, plunging from around US\$350 to around US\$300, I still think those itching to bet on Bitcoin or other cryptocurrencies would be far better served with a name like **HIVE Blockchain** ([TSXV:HIVE](#)), which, I believe, has more upside for retail investors who remain bullish on Bitcoin and the like despite the recent uptick in volatility.

There's no question that Coinbase stock could have immense upside potential if Bitcoin were to soar past the US\$120,000 mark, a recent price target of the analysts at **JP Morgan**. But at north of 45 times sales, you'll be paying a pretty penny to get into the crypto game. I'd argue that the price of admission is far too high, even for those who believe Bitcoin will skyrocket past the six-figure mark by year's end. There's just too much hype surrounding Coinbase stock. While I suspect it will amplify any upside in Bitcoin, I still think HIVE stock is the best way for Canadians to profit from the cryptocurrency market's next leg up.

### The case for buying HIVE stock over Coinbase or Bitcoin itself

At the time of writing, HIVE stock trades at 28.6 times sales, which is considerably lower than the price you'll have to pay to get into Coinbase, the hottest exchange out there these days. For Canadians, you don't even need to swap your loonies for greenbacks. While the loonie has been strong of late, you'd still stand to get dinged at the exchange by around 2-3%.

Moreover, HIVE Blockchain, while hyped, isn't nearly as hot stock as Coinbase. HIVE is a cost-effective cryptocurrency miner with locations in some of the colder areas of the world, with below-average energy costs. I view the Vancouver-based crypto miner as one of the more economical ones

out there.

Of course, like any other miner of commodities, HIVE stock is a levered way to play the price of the underlying commodity that's mined. In HIVE's case, it mines Bitcoin and Ethereum, which tend to exhibit similar magnitudes of volatility.

HIVE is one of the best ways to bet on cryptocurrencies, far better than Bitcoin or Ether ETFs and certainly better than bid-up crypto- or blockchain-focused IPOs like Coinbase. While HIVE stock will [amplify any gains](#) by Bitcoin or Ethereum, it's important to note that leverage works both ways. As a result, HIVE stock will be far more volatile than the already volatile cryptocurrencies it mines. So, unless you truly believe that Bitcoin and the like will appreciate into year's end, HIVE stock may not be your cup of tea.

## Foolish takeaway

With the return of [volatility](#) to the crypto market, double-digit daily percentage moves in HIVE stock can be expected. The stock is fresh off a 48% peak-to-trough plunge, appreciating nearly 12% in Monday's trading session, as Bitcoin bounced back from its latest correction.

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### TICKERS GLOBAL

1. NASDAQ:COIN (Coinbase Global)
2. TSXV:HIVE (Hive Blockchain Technologies)

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