



## Forget Bitcoin and Coinbase: This Canadian Stock Is Up 1,200% in the Last Year!

### Description

In the last year, cryptocurrency investors have made money hand over fist. The price of one Bitcoin has surged close to 700% since the end of May 2020. The widespread adoption of digital currencies, as well as the rise in institutional investments, have driven these exponential gains.

You can now gain exposure to digital assets in several ways. Investors can either actively purchase Bitcoin or passively invest via an ETF. You can also buy shares of companies that have bought Bitcoin such as **Tesla** and **MicroStrategy**.

Another way to gain exposure to Bitcoin is by purchasing shares of the largest crypto exchange in the world **Coinbase** ([NASDAQ:COIN](#)).

### Coinbase recent went public

Earlier this month, Coinbase went public via an initial public offering (IPO). The company reported revenue growth of 844% year over year in Q1, as sales surged to US\$1.8 billion, compared to its prior-year revenue of just US\$191 million. It has forecast sales in the March quarter between US\$730 million and US\$800 million.

Coinbase revenue in 2020 stood at US\$1.3 billion and in 2019 it was just US\$533.7 million. Due to high operating leverage, its EBITDA rose from US\$24.3 million in 2019 to US\$527 million last year. In the March quarter, Coinbase has forecast adjusted EBITDA at over a billion dollars, indicating a margin of almost 60%.

The company generates sales from trading fees which in fact is dependent on the popularity of Bitcoin. For example, in a bull run, the number of trades on the Coinbase platform rises at a rapid clip. On the flip side, when markets turn bearish, trading activity declines by a significant margin which in turn will impact Coinbase revenue. In the bear market of 2018, [Coinbase sales were down](#) 50% year over year.

Bitcoin is still part of an unregulated market and is prone to wild fluctuations. It has seen its market value slump by 90% multiple times in the past and such a massive fall cannot be ruled out in the future.

Bitcoin still a highly speculative investment which makes Coinbase a risky bet as well. However, there are several other growth stocks that you can consider that have the potential to increase your wealth in 2021 and beyond.

## Up 1,230% in the past year

One Canadian company that has massive growth prospects is **GreenPower Motors** ([TSXV:GPV](#)). This company operates in the electric vehicle (EV) space and has already surged 1,230% in the last year. So, a \$1,000 investment in GPV stock one year back would be worth around \$13,000 today.

EV companies generally spend billions of dollars in research and development before they even start automobile deliveries. However, [GreenPower operates](#) on an asset-light model and has partnered with several third-party manufacturers to assemble its vehicles. This has allowed GreenPower to lower manufacturing and operating costs significantly and it's now expected to report an adjusted profit by the end of fiscal 2022.

GreenPower has spent just \$2 million in R&D expenses since 2017, as it uses off-the-shelf components and subsystems to lower costs.

Analysts tracking the company forecast GreenPower sales to rise by 360% to \$62.6 million in fiscal 2022. Comparatively, its bottom line is expected to improve from a loss per share of \$0.34 in fiscal 2020 to earnings of \$0.34 in 2022.

### CATEGORY

1. Investing

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