



TFSA Investors: Should You Choose Bitcoin or Air Canada Stock?

Description

Canadian investors looking to make a lot of cash in a short period have shown great interest in Bitcoin stocks and **Air Canada** ([TSX:AC](#))([NYSE:AC](#)). Bitcoin surged throughout this year, with many making millions as it now trades above \$60,000 as of writing. Meanwhile, Air Canada stock crashed, and many hope a rebound will soon be underway that could leave many rich.

But here at the Motley Fool, we recommend long-term investing. So if you're looking for the best stock for your long-term investment, let's dig into each and find out which is better.

Bitcoin stocks

On the one hand, if you're using your Tax-Free Savings Account (TFSA) to consider buying into Bitcoin today, you're pretty much out of luck. The prices of these cryptocurrencies are so high that you might be able to buy just one Bitcoin, and that would take up almost all of your TFSA contribution room.

But don't fret! There are other ways to invest in Bitcoin. In fact, there are arguably [safer](#) ways than getting into the cryptocurrency itself. For example, there's **HIVE Blockchain Technologies Ltd.** ([TSXV:HIVE](#)). HIVE stock provides mining and selling facilities for cryptocurrency, and has been expanding its operations to support the growth in cryptocurrency use. There are also exchange-traded funds (ETFs) like **Purpose Bitcoin ETF** ([TSX:BTCC.B](#)), which has 100% of its investment into Bitcoin. So in a sense, it's like buying Bitcoin but for a much cheaper cost.

But there are still risks with Bitcoin. No one knows what the future could hold for cryptocurrency, so getting in on Bitcoin and other cryptocurrencies themselves aren't the safest option. But buying into these Bitcoin-related spaces gives you a cheaper and safer chance to make money fast from Bitcoin and cryptocurrency.

Air Canada stock

I really feel for Air Canada stock investors, who saw shares rise to all-time highs before crashing down,

and since November 2020 shares haven't moved far beyond \$25 per share. It has many wondering if it's time to give up on the stock rather than buy it up in bulk.

But again, if you're a long-term investor, this too shall pass. The company's operations are solid. Management invested in money-saving and money-making projects that will bring in cash for decades. Fuel-efficient fleets, the Aeroplan program, even canceling the **Air Transat** deal all puts money in the company's pocket.

Then there was the news of the government finally giving Air Canada stock a bailout. The federal government provided \$5.9 billion in the bailout package, with the stipulation that refunds must be handed out due to COVID-19 cancellations.

Forward. Vaccinations are underway. Planes are slowly going back into the air. As flights [increase](#), so will revenue and the debt will become smaller and smaller. I'm not sure I would necessarily buy in bulk with Air Canada stock, but long-term investors should definitely hold onto shares. This is a brutal time in history, but one that will pass. When the pandemic ends, shares will eventually trade at pre-pandemic norms once more.

Bottom line

When it comes to Bitcoin or Air Canada stock, it really comes down to time. If you're willing to wait it out, then I would stick with Air Canada stock. This company has proven it can come back from the depths, survive and indeed thrive. As the largest airline in Canada, it's likely to take on a position of strength once more. But granted, that could be a decade away.

As for Bitcoin, I wouldn't go straight for the source and would instead take on either HIVE stock of Purpose ETF. Either is a great choice, cheaper and much safer than going directly for the high cost of Bitcoin. So while you won't see mega jumps in shares, you'll be happy knowing you'll be making gains in the years to come.

CATEGORY

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2. TSX:BTCC.B (Purpose Bitcoin ETF)
3. TSXV:HIVE (Hive Blockchain Technologies)

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