



TRADE ALERT: Why HIVE Stock May Be About to Crash

Description

HIVE Blockchain Technologies Ltd. ([TSXV:HIVE](#)) has been soaring with the recent boom in Bitcoin and other cryptocurrencies. The miner and seller of cryptocurrency reached all-time highs around \$7.50 per share, before HIVE stock came down in the tech sell off.

After falling to about half that share price, investors may need to brace for another drop. Let's dig into why.

HIVE stock sell off

An insider trade listed on April 26 showed that Independent Director Tobias Ebel sold 315,000 shares of HIVE stock for \$3.84 a piece. That's a total of \$1,209,127.50. The managing partner and managing director of Logos Fund still owns 187,000 shares in HIVE stock.

Now you might be thinking, so what? One guys sells off a bunch of shares. Maybe he just needs the cash?

Unfortunately, this seems to be a trend after shares started to drop in recent months. Before Ebel sold shares, others sold a total of 10,500 shares as the share price came further and further down. Then, Ebel blew them out of the water with his selling of 315,000 shares.

While it's unclear what's going on, it could be that major investors worry that the Bitcoin bubble may soon burst. That, and more competition is coming on the scene.

HIVE stock no longer alone

There are a few other blockchain companies out there coming on the scene. Unfortunately for HIVE stock and its directors, that means it may soon have to share some of the wealth. With popularity comes competition, so it really was only a matter of time before other options came on the market.

CryptoStar Corp. and **DMG Blockchain Solutions Inc.** are just two examples of blockchain companies that offer a cheaper share price, though not anywhere near the market capitalization offered by HIVE stock.

So what should investors do with this knowledge?

Base it on your goals

If you're looking for quick cash with no goal in mind, there's your problem right there. Investors need to have a goal such as retirement, mortgage payments, or education in mind. Something tangible to allow you to take fewer risks, but find some of those fun opportunities like with HIVE stock.

But also like with HIVE stock, if you're seeking long-term shares in a [blockchain company](#), then stick with it! Don't base short-term issues on your long-term goals. If you truly believe the future is with Bitcoin, cryptocurrency and blockchain miners, then stick it out.

However, if you just hopped on the bandwagon, now might be the time to consider what your goals truly are. It might be time to reconsider your investments and maybe decrease your stake in what you might consider a risky stock. Then figure out what that goal is, and realign your portfolio to what you'll want decades from now in your portfolio.

Bottom line

A few insider trades aren't the worst thing in the world. You don't have to sell it all thinking the stock is about to crash. However, it can tell you whether there might be short-term downfalls that could be tough to stomach. That's especially if you were hoping for quick returns.

Instead, think about what you want from your investments, and what you want from your investment in a company like HIVE stock. If it's to stick it through for long-term returns, then great! Look at this blip as a time to increase your stake. But if you were hoping to just take on some short-term returns, then may [reconsider your investments](#) and talk to your financial advisor about your goals for the next few years and beyond.

CATEGORY

1. Investing
2. Personal Finance

TICKERS GLOBAL

1. TSXV:HIVE (Hive Blockchain Technologies)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing
2. Personal Finance

Date

2025/09/05

Date Created

2021/04/29

Author

alegatewolfe

default watermark

default watermark