Forget Dogecoin: This Canadian EV Stock Is up 950% Since May 2020

Description

One of the most popular cryptocurrencies in the world right now is the meme-based crypto called Dogecoin. The price of this digital asset has surged a staggering 24,500% in the last year. So, if you'd invested $1,000 in Dogecoin in May 2020, your investment would be worth close to $250,000 today.

Why is Dogecoin a high-risk investment?

Dogecoin was actually created as a joke in 2013, and its market cap has now surged to $80 billion. Its mind-boggling gains have primarily been fueled by a series of tweets by Elon Musk, the mercurial CEO of **Tesla Motors**. However, one main reason to be skeptical of this digital asset is that Dogecoin is not backed by anything tangible and can be likened to a pump-and-dump scheme.

So, it looks like most Dogecoin buyers see the cryptocurrency as an easy way to get rich. While Bitcoin has 21 million tokens in the market and Ethereum has capped its annual generation at 18 million tokens, Dogecoin has no such limits, and its total circulation is close to 130 billion tokens today.

We can see Dogecoin is an emotionally driven, artificially pumped asset, and it should not be a part of your portfolio. Well, if you hold Dogecoin and have derived massive gains, it's a good time to book partial profits and put the capital to better use. Investing in cryptocurrencies is very risky due to their high volatility and lack of regulation, but Dogecoin right now is the riskiest among the top digital currencies right now.

You need to invest only how much you can afford to lose in cryptos, as Bitcoin and peers have lost close to 90% in market value multiple times over the years. The stupendous rally in Dogecoin can go horribly wrong for speculators given the unpredictable nature of crypto assets.

GreenPower Motors stock is up 950% in the last year

While cryptocurrencies provide investors with the possibility to generate exponential gains, it's always a safer bet to buy and hold equities. The stock market has consistently delivered inflation-beating numbers over the long term while several growth stocks have generated accelerated returns as well.

One such Canadian growth stock is **GreenPower Motors** (TSXV:GPV)(NASDAQ:GP), which is up 950% in the last year. Despite these stellar gains, the stock is trading 50% below its record high, giving investors an opportunity to buy a growth stock at a lower multiple.

GreenPower Motors is a small-cap stock that is valued at a market cap of $444 million. The company manufactures affordable, battery-equipped electric buses and trucks, and the shift to clean energy solutions all over the world remains a key driver for GreenPower's top-line growth.

GreenPower has an asset-light model, as the company has partnered with multiple third-party manufacturers to assemble its vehicles. This has allowed GreenPower to spend just $2 million in R&D costs compared to the millions of dollars spent by other EV makers.

Analysts expect GreenPower to increase sales to be flat year over year at $13.6 million in fiscal 2021. However, the top line is forecast to accelerate by 360% year over year to $62.6 million in 2022. This will also allow GreenPower to improve its bottom line from a loss per share of $0.34 in 2020 to earnings of $0.34 in 2022.

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